Covenant Hospital: 
5 Years After Provena

*Has Only the Name Changed?*

A Community Report on Provena Health Corporation and Changes at Provena Covenant Medical Center

Abbreviated Report with Overview
(to see a copy of the full report, please contact CCHCC or visit a local public library in Champaign-Urbana)

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Covenant Hospital: 5 Years After Provena

Has Only the Name Changed?

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Overview of Report and Findings

About This Report

The focus of this report is on Provena Covenant Medical Center, five years since Provena Health took over our local hospital.

This report is organized into nine main sections, including the introduction and conclusion. In addition, the Report contains an Attachments section including materials which are referenced in the report. The Attachments section is not included as part of the Executive Summary.

This Executive Summary contains a shortened version of each of the seven sections, along with the introduction and conclusion sections, in order. Below is a list of the sections reviewed in this Summary and a brief description of the content of each section:

Introduction (Page 3)

- Who has written the report and why
- Why hospitals are a community asset
- List of concerns about changes at Provena Covenant Medical Center

Section 1: Provena Covenant Hospital as a Community Asset (Page 5)

- Brief history on Provena Covenant Medical Center
- Why Provena Covenant Medical Center is a community asset
- How non-profit tax-exempt status of hospital gives rights to the community

Section 2: Covenant Hospital Finances (Page 6)

- Covenant hospital’s financial health prior to Provena takeover
- Reports reflecting Provena Covenant’s financial health
- Questions about Covenant’s assets and what happened

Section 3: Provena Health System Overview (Page 8)

- How Provena Health (parent corporation) is organized
- The flow of money between parent corporation and affiliates
- Other news about the parent corporation that raises questions
Main Findings

- Covenant Hospital was financially healthy in 1997 when Provena took it over;

- Provena Health received cash transfers from Provena Hospitals, and in turn, transferred cash to Provena Ventures, its for-profit affiliate (which owns PCHMO);

- Provena Health has been cutting staff at Provena hospitals;
• Provena Covenant hospital has had staff cuts and there have been reports about negative consequences on patient health and safety and quality of care as a result;

• Provena Covenant is building three new physician buildings in Urbana and in Savoy;

• Provena Covenant has contracted with many for-profit companies to provide many of its hospital based services;

• Provena Covenant is sending to collections and suing low-income consumers;

• The community, including consumers, nurses, and physicians are concerned about these changes.

Introduction

“Only the name has changed”
The focus of this report is on Provena Covenant Medical Center, five years since Provena Health took over our local hospital. When Provena first acquired Covenant hospital, Provena’s ads around the community read: “Only the name has changed.” The ads were obviously intended to reassure the community that the hospital we value, and with whom we have a long-standing relationship, would not change in any significant way. Only the name would change.

Now, five years later, much more than the name has changed. It is time for our community to develop an understanding of the changes that have taken place, and a voice for asserting our needs as a community, and ensuring the protection of our local hospital.

By necessity, we as a community must develop a relationship with Provena Health, the parent corporation of our local hospital, in order for our local hospital to be strong, healthy, and capable of providing the highest quality of health care to all who need it. This report is an effort to begin the process of community involvement and discussion about our local hospital.

Who Is Issuing This Report
This report, and the research for it, is presented to the Champaign County community by the Champaign County Health Care Consumers in partnership with local health care professionals, including nurses and physicians.

Why We Have Written This Report
Because of media reports, and consumer and health professionals’ reports, we are concerned about our local hospital. We are concerned about quality of care and patient health and safety at Provena Covenant Medical Center as a result of staffing cuts and other financially-driven decisions. We are concerned about the financial strength, both long-term and short-term, of our hospital. We are concerned about whether the
decisions being made by the Provena Health system are in the best interest of our community’s health and our local hospital.

**Our Hospital Is a Valued Community Asset**
Underlying the concerns listed above, is the premise that our hospital is a valuable asset to our community and we want to protect it and make sure that it lasts.

Our nation’s health care system is constantly changing due to mergers, acquisitions, closures, and other changes that affect local health care resources. With the advent of the Provena Health system and its acquisition of our local Covenant hospital, Champaign County is dealing with the new experience of having our local hospital controlled by a large corporation that is not locally based. There is no easy way to prepare a community for such a change. And in many communities, changes like this have resulted in closures of hospitals and clinics, and other negative changes to their health care resources.

Anyone of us may need to be hospitalized at any time as a result of an injury or illness. We all want our hospital to be equipped to take care of us and our loved ones, and to ensure patient health and safety. And we want our hospital to be there for the future – for our elders and our future generations.

**Our Hospital Is a Public Asset that Belongs to the Community – Literally**
Although Provena Health has acquired Covenant Medical Center, Covenant still belongs to our community by virtue of its charitable, non-profit, tax-exempt status, and the fact that the assets of Covenant (bricks and mortar, financial wealth, etc.) came about, in part, from the City of Champaign’s sale of Burnham City Hospital.

Therefore, beyond reasons of value and ethics, Provena Covenant Medical Center belongs to our community, and our community has a right to have a voice in how the assets of our hospital are used. *Although owned by Provena Health, the assets of Provena Covenant Medical Center are public assets held in trust by Provena Health.*

Public assets that derive from our hospital should be reinvested in our local hospital. A special concern for our community, now that our hospital is owned by a parent corporation, is whether local assets are being re-invested into our hospital, or whether the parent corporation, Provena Health, is using those assets to subsidize other aspects of its business.

*Please note that these principles apply to both Carle Foundation Hospital and Provena Covenant Medical Center, although this report focuses on Provena Covenant.*

**Health Care Is Not Like Any Other Business: It Is Everyone’s Business!**
It is important to be clear about the fact that there are particular values reflected in this report. This report is based on the premise that health care is not like any other business and the value that health care is a basic human right and necessity. Our health care providers and facilities are a community asset – whether they are non-profit or for-profit. Of course, non-profit health care providers have particular responsibilities to the community based on their charitable status, their missions, and their tax-exemptions. However, from the perspective of consumers and patients, whether for-profit or non-profit, health care is not like any other business and should not be operated primarily or simply on the basis of business principles that might apply to other
commodities, such as furniture store or some kind of commercial service. The need for health care is not discretionary or frivolous, and health care ought not to be a luxury to be had only when it can be afforded.

Given the special nature of health care and the community's need for it and investment in it, it is important for health care providers to understand that the community has a particular stake in their "business" decisions. Business decisions about health care affect our local resources and our capacity to be healthy and to be able to live our lives as fully as possible. Health care is everyone's business!

Our Concerns About Changes at Provena Covenant Medical Center
Our concerns fall largely into the following categories:

1. The financial well-being of our hospital under Provena;
2. The quality of care at Provena Covenant hospital, as a result of financial and management decisions;
3. How Provena operates within our community to be open with, and responsible to the community;
4. How Provena works to meet local health needs (including the allocation of resources, and how Provena interacts with and responds to the community).

Community Discussion
With the advent of the five year anniversary since Provena took over Covenant hospital, it is time for a community-wide discussion about what is happening to our local hospital under Provena’s ownership. It is time for Provena to engage with the community to address the concerns discussed in this report and to begin those discussions on a community-wide and ongoing basis. We hope this report will be a first step in initiating those community discussions.

Section 1:
Provena Covenant Hospital as a Community Asset

Brief History on Provena Covenant Medical Center
Covenant hospital was formed in 1989 as a result of the merger of Mercy Hospital with Burnham City Hospital, which the City of Champaign sold. Provena Health is a Catholic health system created in 1997 by the merger of three Catholic health organizations. Covenant hospital became part of the Provena Health system in late 1997 as a result of this merger.

Provena Covenant Medical Center as a Community Asset
Although Provena Health has acquired Covenant Medical Center, Covenant still belongs to our community by virtue of its charitable, non-profit, tax-exempt status, and the fact that the assets of Covenant (bricks and mortar, financial wealth, etc.) came about in part from the City of Champaign’s sale of Burnham City Hospital. This will always be true, no matter who owns and operates Covenant hospital.

Public assets that derive from our hospital should be reinvested in our local hospital and should not be used to subsidize the for-profit affiliates owned by the parent corporation.
How non-profit tax-exempt status confers rights on the community
When non-profit providers are exempt from property taxes, it means that local community members are shoudering the tax burden for that institution. The institution still needs water, sewage, roads and stoplights, and it still benefits from police and fire protection, as well as other community services that are funded through property taxes. These community and public services are financed by community members who pay local property and sales taxes.

Therefore, because these assets are derived through the contributions by the rest of the community (when the community shoulders the burden for the provider’s tax exemption), the assets belong to the community. In other words, the community has subsidized the accumulation of these assets, and therefore the provider is in a position of holding these assets in public trust. In turn, the provider must then use these public trust assets to benefit the community in concrete ways through community-determined community benefit programs.

Burnham City Hospital Assets and Provena Covenant Medical Center
Provena Covenant Medical Center belongs to the community not just on the basis of assets derived through property tax exemption, but through the literal transfer of public assets from the sale of Burnham Hospital.

The City’s assets – which are the public’s assets – from the sale of Burnham Hospital were transferred to Covenant’s ownership and stewardship. When Provena Health acquired Covenant, it benefited from the transfer of those assets as well, but also accepted the responsibility of holding those public assets in trust for the community.

Those community assets do not disappear or diminish in importance. They are investments – real financial investments – that the community has made in our local hospital, and which belong to our community and confer rights upon our community.

Section 2: Covenant Hospital Finances
This section reports on the financial health of Provena Covenant Medical Center, our local hospital.

Why community should know about hospital’s financial health
It is important for our community to know about and understand our hospital’s financial health because:

- Our hospital is a community asset providing a vital service;
- The local community should have input on the allocation of resources to meet our community’s health needs.

About the information presented in this section
We currently do not know much about the financial health of Provena Covenant Medical Center, except what we can figure out from reading newspaper articles about staff cuts or building expansions, and what Provena says about these things publicly. Since Covenant hospital was dissolved as an incorporated entity and is now operated under
Provena Hospitals (a subsidiary of the parent corporation, Provena Health), it is very
difficult to get specific financial information about Covenant hospital.

The information presented in this section is of two types and from sources:

A. Covenant hospital’s financial health prior to Provena in 1997
   Source: Financial analysis conducted for the Champaign County Health Care Consumers by Dr. Nancy Kane and Paul Giadrone of Harvard School of Public Health, Department of Health Policy and Management

B. Media reports about Provena Hospitals and individual hospitals

A. Covenant hospital’s financial health prior to Provena in 1997

Summary of Covenant’s Financial Health (1997):
• Covenant was a healthy hospital
• Covenant was profitable on both its operating and total margin in 1977
  (investment income was $4.4 Million)
• Covenant had $48.2 Million in cash and investments
• Covenant had a significant amount of debt, but was able to pay it off with its profits from operations and investment income.

Covenant's Financial Ratios (1997) Compared to State Median

<table>
<thead>
<tr>
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<th>Covenant</th>
<th>State Median</th>
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<tbody>
<tr>
<td>Operating Margin</td>
<td>4.8%</td>
<td>NA</td>
</tr>
<tr>
<td></td>
<td></td>
<td>The Operating Margin ratio measures the percentage of revenue collected from the hospital's <em>central mission</em> that is kept as profit.</td>
</tr>
<tr>
<td>Total Margin</td>
<td>9.6%</td>
<td>5.8%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>The Total Margin shows the percentage of revenue collected from central <em>and</em> peripheral activities that is kept as profit.</td>
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<tr>
<td>Days Cash on Hand</td>
<td>210 days</td>
<td>139 days</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Days cash on hand measures the number of days the hospital could continue to meet its daily operating expenses considering <em>all</em> sources of unrestricted cash available for operations.</td>
</tr>
<tr>
<td>Equity Financing Ratio</td>
<td>41.5%</td>
<td>60.8%</td>
</tr>
<tr>
<td></td>
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<td>Equity Financing Ratio shows how much of the hospital’s assets were paid for using equity, and how much of its assets were paid for using debt – a higher ratio is better, from the hospital’s perspective.</td>
</tr>
<tr>
<td>Cash Flow to Total Debt</td>
<td>18.6%</td>
<td>24.9%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Cash Flow to Total Debt measures the ability of the hospital to pay back their liabilities with the cash they made from operating and non-operating activities.</td>
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B. Media reports about Provena Hospitals and individual hospitals

Since the formation of Provena Health, the media reports regarding the financial health of Provena’s hospitals are confusing. The following is a sampling of news reports that convey information about Provena Covenant Medical Center’s financial health:

• 1999: Provena Covenant Medical Center builds new Cancer Center - $7 Million
• March 2000: Provena Health plans to cut 500 jobs at its hospitals. Moody’s Investor Service says the cutbacks are a result of cuts in Medicare reimbursements and that Provena hospitals are projected to lose $111 Million over 5 years. Moody’s reports that prospects for profitability are good if Provena makes the cuts.

• October 2001: Provena Covenant Medical Center plans expansion to build two three-story office buildings. Projected cost: $5.8 Million.

• May 2002: Provena facing a money crunch, Covenant is expected to lose $1 Million due to reduced Medicare and Medicaid reimbursements.

• May 2002: Provena Covenant is laying off 34 employees.

• June 2002: Provena Covenant is planning to build doctor’s building in Savoy.

• August 2002: Provena Covenant hires group of surgeons, Cardiac Surgery Association (there are cardiologists in Champaign County who have been practicing at Provena Covenant – they are getting changed to “emeritus” status).

How is Provena Covenant Doing? What happened to Covenant’s Financial Health and Assets?
These are questions that are worthy of community discussion. From the Harvard financial analyses, we know that Covenant was a financially healthy hospital when Provena took over it in 1997. However, since then, we have little information. On the one hand, Provena is making staffing cuts due to budgetary reasons at all of its hospitals, including Covenant. On the other hand, Covenant is building three new doctors’ buildings, hiring physician groups when our community already has doctors practicing and specializing in the same fields as the new hires. Provena Covenant seems to be making decisions about where to invest and where to cut. The community’s concern is about whether the hospital will suffer and whether these decisions constitute good stewardship on Provena’s part.

Section 3:
Provena Health System Overview:
A Look at the Parent Corporation

Covenant Medical Center no longer exists as an incorporated entity, since it has been merged into the Provena Health system. In order for our community to understand who is running our hospital and making decisions about allocating resources and using local assets, we have to understand Covenant’s parent corporation: Provena Health.

How Provena Health Is Organized
The Parent Corporation: Provena Health (Non-Profit)

The Affiliates (owned by Provena Health):

• Provena Hospitals (Non-Profit): Operates six hospitals, which are also non-profit, including Covenant Medical Center, as well as more than 30 health centers (whose profit status is unknown)
• Provena Senior Services (Non-Profit): Operates long-term care and residential facilities
• Provena Ventures (For Profit): Operates various for-profit enterprises, primarily of insurance products, including PersonalCare HMO
Equity Transfers Between the Parent Corporation and Affiliates

Typically, when a non-profit parent corporation operates affiliates or subsidiaries that are non-profit as well as for-profit, the parent corporation justifies the ownership of for-profit business as a way of subsidizing the costs of operating the non-profit organizations, which presumably are more directly mission-driven. A non-profit corporation should not exist in order to subsidize a for-profit enterprise.

Given the above, our community should expect that Provena Health should be making equity transfers (transferring cash) from its for-profit enterprises into its non-profit organizations, such as our hospital, during times of economic hardship. However, based on financial analyses of 1998 and 1999 data, it appears that Provena Health is making equity transfers out of its non-profits and into its for-profit ventures.

The financial analyses were conducted for the Champaign County Health Care Consumers by Dr. Nancy Kane and Paul Giaudrone of Harvard School of Public Health, Department of Health Policy and Management, and show the following:

1998
- Provena Hospitals (non-profit) transfers a net amount of $13.7 Million to parent corporation Provena Health
- Provena Senior Services (non-profit) transfers net amount of $0.8 Million to parent corporation Provena Health
- Provena Health, the parent corporation, transfers a net amount of $17.7 Million to Provena Ventures (for-profit affiliate)

1999
- Provena Hospitals (non-profit) transfers a net amount of $143.1 Million to parent corporation Provena Health
- Provena Senior Services (non-profit) transfers net amount of $2.1 Million to parent corporation Provena Health
- Provena Health, the parent corporation, transfers a net amount of $5.4 Million to Provena Ventures (for-profit affiliate)

From these two years of financial data on net transfers, it appears that the non-profit affiliates are having money transferred to the parent corporation, and the parent corporation is transferring money to the for-profit subsidiary. This kind of analysis is not available for more recent years.

Other News About Provena Health, the Parent Corporation

In order to gain some insight into the character, practices, and priorities of the parent corporation, we have compiled a list of noteworthy news stories from various sources which document the following (for a detailed listing with references, please see a copy of the full report):

- Provena Health becomes sole owner of PersonalCare HMO, buying out Christie interest for undisclosed amount
- Provena Hospitals announce several rounds of layoffs and staff cuts at hospitals
- Federal court case proceeds alleging that Provena Hospitals violated Fair Debt Collection Act
- IRS launches investigation of Provena Health over issuing tax-exempt bonds
Dept. of Health and Human Services audit concludes that Provena St. Joseph Hospital in Elgin falsely billed for Medicare services
Provena Health’s for-profit HMO, PersonalCare, is infused with cash several times from the non-profit parent corporation
• Provena hires the Hunter Group as a financial consultant; Hunter Group is known for its “slash and burn” tactics to help health systems improve short-term profitability
Provena Health announces financial crunch
Provena Covenant announces termination of various physician contracts and relationships with local doctors, in favor of contracting with outside physician groups
• State legislators call on Provena to account for its labor practices

Clearly, the Provena Health system is complicated and multi-faceted. The challenge to our community is to understand how the Provena Health system manages its assets and how its stewardship of those assets is affecting our local hospital. Likewise, the community must ensure – and call upon Provena Health to ensure – that local assets are used for local benefit of our hospital, and not to subsidize for-profit enterprises of Provena Health.

Section 4:
Provena Covenant Hospital Services Contracted Out: Profiles of Provena Covenant’s Vendors

Since Provena took over Covenant five years ago, an increasing number of major hospital functions at Covenant have been contracted out to other businesses. Before Provena took over Covenant, those services were provided in-house by Covenant staff working in those departments. Currently, Provena Covenant contracts with several different companies (mostly for-profit companies) to provide some major services, including: lab services, hospital pharmacy, cardiovascular physicians, cafeteria services, and more.

Community Concerns About Contractual Arrangements at Provena Covenant
Provena’s management of Covenant hospital, which now relies on many contractual arrangements, is cause for the following concerns:

1. Quality of Care
Consumers want a guarantee of quality of care. Do the contractual companies working at Provena Covenant provide adequate and experienced staffing? Is quality of care affected when companies and personnel cycle in and out of a community as a result of changing contracts?

2. Continuity of Care
Will contractual arrangements with physician services affect continuity of care for Champaign County consumers? Will physicians be cycling in and out of Champaign County as contracts change? Consumers value continuity of care and know that health care is best when patients and doctors can establish trusting relationships that last.

3. Accountability
Is accountability diminished as a result of these contractual relationships? Some consumers say that this has already happened at Provena Covenant with regard to the
dialysis unit. Consumers have reported that their complaints about short staffing and about new requirements that patients bring their own blankets and pillows have not been addressed by Provena Covenant. These consumers report that Covenant officials told them to address their complaints to the company that runs the dialysis unit; but consumers were not able to get a response from that company.

On the one hand, Provena Covenant presents an image of an integrated health care delivery system, but on the other hand, when it is time to address consumers’ concerns, consumers report that they get shuffled around between Provena Covenant and the company responsible for the services.

4. Fragmentation of Services
Consumers value integrated health care systems that are seamless and easy to navigate. Will changing contractual relationships and companies within Provena Covenant create fragmentation? Will communication between the various companies and staff members be adequate and timely?

5. Health Care Costs
Does Provena’s decision to contract with large, for-profit companies to provide hospital-based services increase the cost of health care locally? For-profit companies must generate revenues for profit-making purposes, and this is an added cost passed on to the purchasers of those services. On the other hand, if those large companies are keeping health care costs low, how are they doing that – are they hiring less experienced personnel for lower wages? are they cutting benefits to employees? are they enacting cost-cutting measures on supplies? Are these companies’ values and services appropriate for meeting the needs of our local community?

6. Subsidizing For-Profit Corporations with Local Tax Dollars
When Provena Covenant contracts with for-profit corporations to provide hospital-based services that were previously provided in-house, our local community is basically giving for-profit companies a free ride with regard to property taxes.

In order for an organization to qualify for charitable status and tax exemption, the IRS requires that “an organization must be engaged in activities furthering ‘public’ purposes rather than private interests.” IRS Code [7.8.2] 3.4.2

Are the for-profit companies with whom Provena Covenant has contracted providing their services at below-market rates, or furthering a “public” purpose in some other way, in order to earn the property tax-exemptions from which they are benefiting? Or is our local community subsidizing their profits? Should Provena Covenant hospital’s property tax exempt status be re-examined?

Community’s Relationship to Provena Covenant Hospital
Now that Provena Covenant is contracting with many national companies to provide hospital-based health care services, the community’s relationship to our hospital has changed. To know our hospital, we must now know the companies with whom Provena has chosen to contract.

The following is an overview of the companies with whom Provena is contracting for hospital-based services. The full report contains detailed “vendor profiles” which document who these health care providers are, their profit status (non- or for-profit), and
their national reputation. In some cases, where there was additional information to be provided, we made a reference to additional materials that are provided as attachments in the back of this report.

This is not necessarily a comprehensive list of Provena Covenant’s contractual companies. These are the ones we know about, but there are likely to be others, especially if this trend toward contracting out our hospital services continues. It is probably worth noting that we typically became aware of these companies as a result of a complaint to CCHCC’s Hotline from a consumer or a health professional.

Provena’s vendors include the following:

- **Capstone Bank**: Interest-bearing loans sent direct to you through Provena’s Patient Accounts Dept. (for profit)
- **Cardiac Surgery Assoc**: Cardiac Surgeons (for profit)
- **Cardinal Health**: Internal Pharmacy (a for profit Fortune 500 and Global 500 company)
- **Excel, LLD**: Emergency Room Physicians (unknown profit status)
- **The Hunter Group**: Health Care Consulting and Interim Management (for profit) (has national reputation as “slash and burn” consulting firm)
- **MedCentre Labs**: Lab Testing, Diagnostic Imaging (unknown profit status)
- **Midwest NeoPed Assoc.**: Neonatal-Perinatal Physicians (for profit)
- **RehabCare Group**: Rehabilitation Program Management (for profit)
- **Renal Research Inst.**: Dialysis Unit (BYOP&B – “bring your own pillows and blankets”) (for profit)
- **Sodexho Marriott**: Cafeteria Services (for profit)

**Section 5:**

**Staffing Cuts at Provena Covenant Hospital**

At the heart of our community’s concern about Provena Health system is the impact that the Provena takeover has had on our local hospital, Provena Covenant Medical Center.

Over the past five years, Provena Health, citing budget reasons, has made staffing cuts at its hospitals, including Provena Covenant Medical Center. These cuts have been enacted even amidst concerns of the impact of these cuts on patient health and safety, and working conditions for medical staff. Locally, nurses and consumers alike have reported that staffing cuts, and supplies cuts, at Provena Covenant hospital have affected quality of care.

It is important for the community to understand how staffing cuts affect patient health and safety. Even cuts to non-direct care hospital staff members have an impact on patient health and safety.

**Community Concerns and Questions.** From a community perspective, the cuts at Provena Covenant hospital raise concerns and questions about Provena’s priorities, their capacity to provide stewardship over our hospital, and the future of Provena Covenant Medical Center. Community concerns include:
• Is patient health and safety at Covenant hospital better or worse, since the Provena merger?
• Why are staffing cuts being enacted at our local hospital, while Provena continues to invest in, and build new physician offices in Urbana and Savoy?
• Why is Provena funneling money into its beleaguered for-profit HMO (PersonalCare HMO) while at the same time citing budget reasons for cutting staff at its non-profit hospitals?
• Why has the Provena merger not resulted in stronger local hospitals?
• How have patient to nurse ratios at local hospitals changed over the past five years?
• Why is Provena firing or sanctioning nurses who speak out about patient health and safety and working conditions?
• Why has Provena contracted with the Hunter Group, and at what cost?

This section of the report discusses recent national studies which document the direct relationship between nurse staffing levels and health outcomes, including death, for hospital patients. This section also discusses staff cuts at the various Provena Hospitals, and at Provena Covenant hospital in particular.

What National Studies Show: Number of Nurses Affect Patient Health and Safety
Recently, several highly acclaimed research projects have been published which document the direct relationship between the number of nurses at the bedside and patient outcomes.

New England Journal of Medicine Study. In May 2002, the New England Journal of Medicine published a study by Harvard School of Public Health researcher Jack Needleman and his colleagues which was the first major study to document on a national scale the damage to patient health caused by inadequate nursing staff levels. In particular, the study shows that the nursing shortage in our nation’s hospitals has resulted in increased deaths and illnesses of patients.

Needleman and colleagues found that low nurse staffing levels result in increased deaths and illnesses from heart attacks, shock, urinary tract infections, bleeding in stomachs and intestines, hospital-acquired pneumonia, and complications of surgery such as shock or sepsis.

Patients in hospitals with low numbers of registered nurses are more likely to suffer and die from these preventable and treatable conditions. Patients in hospitals with high levels of registered nurses are less likely to suffer and die from these conditions, and they are more likely to spend less time in the hospital.

JCAHO Study Calls Nursing Shortage “A Prescription for Danger”. On August 8, 2002, the Joint Commission on Accreditation of Healthcare Organizations, or JCAHO, which accredits hospitals such as Provena Covenant, called the shortage of nurses “a prescription for danger.”

JCAHO reported that the lack of nurses contributed to nearly a quarter of all unexpected problems that resulted in death or injury to hospital patients.
The Hospital Nursing Shortage. Key factors that have been cited for the nursing shortage including: hospital mergers, cost-cutting and heavy workloads prompting nurses to quit, and hospitals’ unwillingness to retain long-time skilled nurses and improve working environments.

Staff Cuts at Provena Hospitals
When the Provena merger first took place, Provena was not publicly stating that it was anticipating the need to make any staff cuts at its seven hospitals.

In March 2000, Provena Health reported plans to cut as many as 500 jobs at its community hospitals over a 15 month period. Provena officials claimed that most staff reductions would take place gradually at various hospitals as positions would be eliminated “as employees leave.” Officials also reported that there would be cuts in overtime pay. The planned cuts, representing about 4% of Provena’s full-time positions, were being planned in order to increase Provena’s profitability. Provena stated that it anticipated a loss of $111 million in Medicare funds over five years due to the Balanced Budget Act of 1997.

In March 2002, it was reported that Provena St. Joseph Hospital in Elgin cut the equivalent of 100 full-time positions, which amounted to more than 10 percent of its staff. The cuts were a result of the cost-cutting measures proposed by the consulting firm, the Hunter Group, which Provena Health hired sometime early in 2002. The Hunter Group is a Florida-based health care consulting firm known for management shake-ups and financial restructurings. They focus on “performance improvements” – financial performance improvements.

In June 2002, Provena St. Mary’s Hospital in Kankakee reported that the hospital would be “displacing” 21 of its workers. The workers included technicians, support staff, and one to two nurses.

In May, June and July 2002, Provena St. Joseph Medical Center in Joliet made headline news due to the firing of recovery room nurse Pam Robbins. Ms. Robbins, RN, is a union leader at Provena St. Joe’s who had been active, along with several others, in questioning and challenging the hospital’s decision to eliminate 10 nurses. Ms. Robbins was first suspended and then fired, while Nancy Shepherd, another nurses union leader, was sanctioned with a three day suspension. The firing of Ms. Robbins resulted in State Senator Lawrence Walsh, and State Representatives Jack McGuire and Angelo “Skip” Saviano calling on Provena Health system’s CEO, William Foley, to account for the sanctioning of these nurses. Please see Attachment I.

Staff Cuts at Provena Covenant Hospital
In May 2002, Provena Covenant officials announced their plans to make staff cuts, including laying off 34 employees. The staff cuts were part of Provena Health’s plans to offset a projected $12.5 million loss for the year for the health system. A Provena Health spokesman, in a May 10, 2002 News-Gazette article stated that, “We are working to turn that into an $8 million positive bottom line.” He added that, “We need a bottom line to have funds to invest in our facilities and our services.” However, if the cuts are being made at Provena hospitals, this begs the question: “In which facilities and which services, is Provena seeking to invest?” Additionally, the communities suffering cuts to their hospitals should also ask whether cuts to our hospitals are subsidizing other Provena facilities or ventures which do not benefit our communities?
Over the past five years, Provena has enacted downsizing, reengineering, and other changes in staffing patterns at Provena Covenant. Covenant nurses have complained to the administration that these changes were hurting their patients, contributing to the nursing shortage at the hospital, reducing morale, and undermining a patient-focused approach to health care at Covenant hospital.

Provena has stated that these cuts would not affect patient care. However, nurses have reported that their increased workload due to cuts in other staff positions, combined with a decrease in nurses over the past few years, is cause for concern.

Nurses have reported that specific strategies that Provena Covenant has used to reduce staffing levels and costs include:

- short-staffing;
- low salaries;
- use of unlicensed personnel for patient care;
- unwillingness to use agency nurses in times of need;
- mandatory overtime at times;
- not allowing overtime at other times;
- cuts to “ancillary” or non-direct patient care staff.

**How Nurse Staff Cuts Affect Patients and Nurses at Provena Covenant**

Ideally, one registered nurse (RN) is assigned to four patients. At this ratio of four patients to one RN, the following patient care is possible:

- patients get their medications on time;
- patients are thoroughly assessed;
- patients are assisted with daily living activities;
- patients are given emotional support;
- nurses can educate and inform patients about procedures, medications, life style changes necessary for health and healing;
- nurses have time to collaborate with physicians, technicians, dieticians, and social workers in planning and implementing the patients' health care;
- nurses have time to read the patients’ charts and conduct proper charting, and more.

Typically, following staffing cuts, the 4:1 ratio is changed so that nurses are taking care of eight to nine patients. Provena Covenant nurses have reported that it is not uncommon for Covenant staffing ratios to be at this level. This level of staffing results in nurses only having time to do a small portion of the work necessary for patient health and safety. As one nurse put it, “Taking care of eight or nine patients is not real nursing; but that is what’s acceptable at Provena Covenant. It should not be acceptable, and it is NOT nursing, but it is what we are teaching our young nurses that nursing is.”

**How Cuts to “Ancillary” Staff at Provena Covenant Also Affect Nurses and Patient Health and Safety**

Other staffing changes at Provena Covenant involved nurses working in “teams” with technicians (like a nurses aide) and service personnel. However, nurses frequently had to share “their” technicians or service personnel with other nurse “teams” because of short staffing, and that resulted in nurses having to perform duties including:
• cleaning patient rooms;
• cleaning toilets;
• fetching supplies;
• transporting patients;
• doing secretarial work, and more.

These kinds of activities have to get done. But when short staffing results in nurses performing these kinds of duties, patients suffer because nurses have less time for direct patient care. Because of “ancillary” staffing cuts, Provena Covenant nurses have frequently had to become “jacks of all trades” to make up in reductions of staff including secretaries, social workers, and others.

**Supplies Cuts at Provena Covenant Hospitals**
In addition to changes in staffing levels during the past five years, Provena Covenant has also enacted cuts in supplies that are necessary for patient care. Nurses have reported that limits were placed on the number of washcloths they were allowed to use for patient care, and that they frequently ran out at night. Nurses also reported that at one time the cleaning personnel were instructed not to put the “draw sheet” on the beds. The “draw sheet” is an extra sheet placed on the bed and used to pull the patients up in bed – the use of these sheets saves on back injuries to nurses, skin tears on the patients, and hardship on the patients’ shoulder joints.

In addition, nurses reported that often there was no food or juice to give to the patients. Likewise, they have frequently been short on supplies such as thermometers, blood pressure cuffs, O2 saturation machines, and equipment to check patients’ vital signs.

**Provena’s Response to Nurses Who Speak Out About Patient Health and Safety, and Working Conditions**
Nurses throughout the Provena Hospital system who take the initiative to improve patient care, are outspoken patient advocates and are proponents of increased staffing, are being harassed, disciplined and at times fired by their respective hospital administrations. Outspoken nurses at Provena Covenant hospital and at St. Joseph hospital in Joliet have been disciplined, suspended or fired.

The result of Provena’s actions in response to outspoken nurses is extreme frustration among the nurses and fear for their job security. When nurses are discouraged from, and sanctioned for speaking out and advocating for patient health and safety, everyone loses. Nurses are the guardians of our health as patients, and our communities’ health as protectors of our hospitals.

**Section 6: Provena Covenant’s Collection of Medical Bills from Low-Income Champaign County Consumers**
Provena Covenant hospital is a non-profit, charitable, property-tax exempt hospital. How does Provena Covenant hospital work with low-income Champaign County consumers who have difficulty paying their medical bills? Is Provena Covenant hospital, through its billing and collections practices, compassionately addressing the needs of low-income and uninsured individuals and families? Or do Provena Covenant’s billing
and collections practices add to the burden and financial devastation of our community members who have low-incomes and are struggling to make ends meet?

Champaign County Health Care Consumers investigated Provena Covenant’s medical debt collection practices, the medical debt-related bankruptcies and small claims lawsuits caused by these collection practices, and their impact on the lives of Champaign County consumers.

**Who is affected by medical debt?**
Medical expenses are often unexpected and unplanned. Anyone can incur medical debt. Even people with significant savings can have their security wiped out by a single serious and expensive medical condition. In addition, medical debt affects the insured, the under-insured, and the uninsured. However, uninsured patients are often most devastated by medical debt.

**Provena Covenant is charging the highest prices to the lowest-income consumers.**
Provena Covenant hospital charges their highest prices for services, including Emergency Room services, to uninsured consumers because there is no third party payor (such as Medicare, Medicaid, or an HMO) negotiating a discounted price on behalf of these consumers.

Uninsured consumers – who tend to have lower incomes than insured consumers and are least able to pay – are therefore charged the highest amount for their health care, and as a result, are often plunged into the deepest debt.

**What happens to consumers who cannot pay their medical bills?**
When patients cannot afford to pay their bills, or cannot pay at the rate demanded of them, Provena Covenant turns them over to a collections agency. Provena’s collection agency frequently harasses consumers, and eventually brings the consumer before small claims court if the consumer is not able to make a payment arrangement that satisfies Provena or the collections agency. Some consumers, in response to insurmountable debt and collections pressures file for bankruptcy.

**Provena’s Approach to Medical Debt Collection**
National studies have found that health care providers are turning consumers with medical debt over to collection agencies at faster rates than in the past, and Provena Covenant – even as a charitable, tax-exempt, faith-based hospital – is no exception. Provena Covenant is aggressive about collecting medical debt, even from low-income and elderly consumers, and frequently threatens collections at 60 or 90 days.

Through CCHCC’s Consumer Health Hotline and the Medical Debt Project, in which consumers were interviewed about their medical debt, we have received first hand accounts about Provena Covenant’s aggressive collection practices on low-income and elderly community members.

Provena Covenant pressures low-income consumers who cannot afford regular monthly payments of an amount demanded by Provena, to pay off their medical bills with credit cards or by taking out loans.
Provena frequently demands unreasonably high monthly payment plans from low-income patients. Consumers who attempt to pay these high monthly payments may end up being unable to purchase food, prescription drugs, or pay their utility bills. If a consumer is able to work out a reasonable monthly payment plan but is unable to make one monthly payment, Provena may end their payment plan agreement and demand the full amount of their account balance at once. When patients are unable to pay their balance in full, they are quickly sent to collections.

Are Patients Being Sent to Collections or Being Sued Because They Refuse to Pay Their Medical Bills?
It is important to note that most patients who are sent to collections or who are being sued have actually made payment on their medical debt. Because a consumer is sent to collections or to court for a medical bill, does not mean that he or she has not been making payments on that medical bill. Provena likes to try to collect payment for medical bills within 10 months, regardless of the amount of the bill or the consumer’s capacity to pay off the bill in 10 equal installments. Low-income consumers, or people facing financial challenges, should not be pressured into paying off a bill at the expense of their other financial obligations, such as housing, food, transportation, and the other necessities for living. But Provena Covenant does sue and send to collections consumers who cannot meet Provena’s demands for payment, even if those consumers have been making some efforts to pay, and even if those consumers are in the “Covenant Cares” program.

Provena Covenant’s “Charity” Care Program: “Covenant Cares”
Many low-income consumers who call CCHCC’s Hotline report that Provena does not inform them of its “charity” care program (called Covenant Cares), even when the consumer explains that he or she is having financial difficulties. The Covenant Cares program is a discounted care program for consumers who have incurred a medical bill at Provena Covenant and who meet income and asset criteria. Since Provena took over Covenant hospital, the Covenant Cares application process has become much more complicated and prohibitive, making it harder for consumers to understand and navigate. In addition, consumers who do not know to ask for this program are rarely told about it.

Small claims cases.
If the collection agency is unable to work out a payment agreement with the debtor, Provena’s collection agency files a lawsuit against the debtor in small claims court. In small claims court, where lawsuits for debts of less than $5,000 are tried, medical providers such as Provena make up a large proportion of the docket. In fact, between May and December 2001, an average of 7 people per week were directly sued by medical providers in Champaign County small-claims court. Non-profit health care providers accounted for approximately 20% of all of the small-claims medical debt cases. Provena Covenant, a non-profit, charitable, faith-based hospital, accounted for 13% of the small claims medical debt cases.

Bankruptcy.
Bankruptcies are legal proceedings in federal court in which those who cannot afford to pay their debts are relieved of further liability for those debts. Many Provena patients are forced to declare bankruptcy in part because they cannot pay enough of the bill to satisfy Provena’s collection agency. According to a national study (Melissa B. Jacoby, Teresa A. Sullivan, and Elizabeth Warren, “Medical Problems and Bankruptcy Filings,”
Nortons Bankruptcy Adviser, May 2000) at least 40% of bankruptcies in 1999 were due at least in part to medical debt, and seniors and women, as well as families headed by single women, are hit hardest by medical-debt related bankruptcy.

Locally, in Champaign County, 58% of the 279 bankruptcies filed during December 2001 involved medical debt (more than the national average cited in the 2000 study). Among consumers who had any medical debt when filing for bankruptcy, medical debt accounted for up to 25% of the total debt owed. Many of these bankruptcies involved medical debt owed to Provena Hospital and Personal Care HMO (owned by Provena Health Systems). There were 3,200 bankruptcy filings total in 2001.

**Consumer perspectives.**

Medical debt impacts people’s lives in many ways. The following comments come from interviews with consumers who participated in the Champaign County Health Care Consumers survey on medical debt. This survey of consumers is part of a collaborative national study with The Access Project and Brandeis University to investigate the financial impact of medical debt on consumers lives (a comprehensive report from that study will be forthcoming). Consumers from east Central Illinois and Champaign County reported the following about their experiences with Provena:

- "They made me feel like I wasn't trying to pay my bills, but I was. It's just that I can't pay $500/month making $6.50/hour."
- "They treat you as though you are not a good part of society. You are a 3rd or 4th class citizen. They [the hospital] make me feel like a criminal. It has caused a lot of stress. I go without food."
- "I'm supposed to pay $45 per month, but because I got behind, they're saying they want the full amount. I don't have that kind of money. Now that it has affected my credit, what's the point of trying to pay in one lump sum? I think there should be some consideration of people who try to pay it off. I've got three kids and they're not cheap to raise. You're damned if you do, and damned if you don't."
- "I don't go to the doctor when I should because I can't pay."
- "I even offered to do volunteer work at the hospital to help pay off the bill. I'm desperate and will do anything to pay off my bills. I even offered to sweep and mop."

**But Provena Says It Does Not Turn Anyone Away**

Enacting aggressive, rigid, and coercive medical bill collections practices is not the same as turning people away. Provena has an obligation, by virtue of their federal funding and charitable status to ensure that the Emergency Room is open to everyone – that no one is turned away for any reason, including ability to pay. While Provena does not turn anyone away, it is clear from the consumers’ statements above (and national studies which have documented the same type of consumer response) that consumers who are aggressively and insensitively pursued for medical debt tend to delay or forego needed medical treatment in response to harsh collections practices. They feel demeaned, uncomfortable, and fearful of incurring additional medical bills, or fear that they will be turned away because they owe a bill.

Simply not turning low-income consumers away is not the same as providing compassionate care to the community.
Because Provena is increasingly more aggressive in collecting that debt, consumers who cannot pay their debt (or cannot pay it off quickly enough to satisfy providers), are more likely to suffer long-term financial and legal consequences as a result of that debt. Unreasonable payment demands on consumers and families with limited incomes – who are paying the highest prices for health care – can drive them into unmanageable debt, resulting in ruined credit, lawsuits, and personal bankruptcy, with far-reaching financial and legal consequences.

Provena’s policies regarding medical debt and collections against low-income consumers and seniors with limited incomes, must be examined. Policies that include unreasonable demands for payment, and aggressive and coercive collections practices are harmful to consumers and families, and must be challenged. These practices are often in direct contradiction to Provena’s stated mission and purpose. And these practices are particularly egregious given that Provena is a non-profit health care institution and is deriving the benefits of local property tax exemptions.

Data sources. Data on local small claims cases come from small claims court cases tried in the Champaign County Small Claims Court between May and December 2001. Local bankruptcy data presented in this report reflect bankruptcies filed in the United States Bankruptcy Court for the Central District of Illinois during December 2001. Statistical research was conducted by the Land of Lincoln Legal Assistance Foundation.

Section 7: PersonalCare HMO

Community members concerned about Provena Covenant Medical Center have reason to be vigilant about changes with PersonalCare HMO, because PersonalCare HMO’s decisions to drop Christie Clinic doctors may be associated with Provena Health’s plans for “vertical integration” of the health care system locally.

Provena’s investments into the for-profit PersonalCare HMO (PCHMO), and into building up their own physician clinics in our community, at a time when local hospitals are facing budget crunches, raise concerns about Provena Health’s stewardship of its health care resources, including our hospital. Why has Provena Covenant chosen to invest resources into bringing specialists to Champaign County when those specialists are already available at Christie Clinic or Carle Clinic? Is this a good use of our community’s limited health care assets and resources?

The purpose of this section of the report is to clarify the relationship between Provena Health (the parent corporation), PCHMO (it’s for-profit HMO), and Provena Covenant Medical Center, and why our community should care about these relationships and the entities in which Provena Health is investing during a time of apparent financial hardship and increasing costs in our health care system.

What is Provena Health’s relationship to PersonalCare HMO?
Provena Health is the non-profit parent corporation that owns PCHMO. Here is how Provena Health is organized and where PCHMO fits in:

The Parent Corporation: Provena Health (Non-Profit)

The Affiliates (owned by Provena Health):
- Provena Hospitals (Non-Profit): Operates six hospitals, which are also non-profit, including Covenant Medical Center, as well as more than 30 health centers (whose profit status is unknown)
- Provena Senior Services (Non-Profit): Operates long-term care and residential facilities
- Provena Ventures (For Profit): Operates various for-profit enterprises, primarily of insurance products, including PersonalCare HMO

**What is Provena Covenant’s relationship to PersonalCare HMO?**
Provena Covenant Medical Center is also owned by Provena Health, through its affiliate, Provena Hospitals, which operates the hospitals in the system. Provena Covenant and PCHMO both have the same parent corporation. In addition to that, Provena Covenant is the hospital that is part of the PCHMO network. So, if one is a PCHMO member who needs hospitalization, Provena Covenant is the participating hospital. PCHMO contracts with Provena Covenant to provide services to PCHMO members. HMOs always negotiate discounted care contracts with their participating providers in exchange for provide a volume of patients.

**What is Christie Clinic’s relationship to PersonalCare HMO?**
Christie Clinic used to own 50% of PCHMO, until December 1998, when it sold its share to Provena Health. PCHMO contracts with Christie to provide physicians for its PCHMO members. However, as the news has recently reported, PCHMO is dropping many of those physicians as PCHMO establishes exclusive contracts with Provena Covenant physicians.

**What is Christie's relationship to Provena Covenant?**
Provena Covenant hospital is the hospital where many Christie doctors practice. Provena Covenant and Christie Clinic are two legally and financially separate health care organizations, but have contractual relationships.

**Why is Provena Covenant hiring new doctors and contracting with physician services when there are plenty of local doctors, including those at Christie Clinic?**
We can only speculate that Provena Covenant’s decisions to embark on building doctors’ offices and hiring new doctors while terminating contractual agreements with Christie doctors means that Provena Covenant wants to expand into the physician business – perhaps to create its own physician clinic like Carle Clinic or Christie Clinic.

**Why can’t PersonalCare HMO just add more physicians to the HMO, including the new Provena Covenant physicians, instead of cutting out long-standing community physicians working at Christie?**
If PCHMO truly wanted to give its members a choice of physicians, this is what they would do. However, it appears that PCHMO is developing exclusive contracts with Provena Covenant’s new physicians, meaning that Provena Covenant is the sole provider of certain types of physician services for PCHMO members.

**This raises the following questions and concerns:**
- Is Provena Covenant offering salary guarantees to its new physicians?
- If so, is Provena Covenant demanding exclusive PCHMO contracts in order to funnel as many PCHMO patients in to the new physicians to help
meet their salary guarantees (at the expense of PCHMO’s relationships with long-standing local physicians, and continuity of care)?

- If the business generated from PCHMO patients does not meet the salary guarantees, who pays for the remaining balance?
- Does Provena Covenant pay for it out of local assets, rather than investing those assets in the hospital (which continues to announce staff cuts due to financial issues)?
- Is this cost-efficient, or could it result in driving up the costs of health care locally, disrupting physician-patient relationships, fragmenting the health care system and unnecessarily duplicating existing services?

Provena Health has infused PersonalCare HMO with cash. Why and at what cost to the Provena Health system and its hospitals?

Provena Health has apparently chosen to allocate resources to its for-profit HMO, even as it announces staff layoffs and cuts at its non-profit hospitals. It is ironic that Provena Health is claiming that managed care contracts result in reduced revenues for its hospitals (due to negotiating discounted care arrangements with the managed care companies), and yet Provena owns its own HMO, which contracts with its own hospital which is laying off staff due to financial constraints. Meanwhile Provena Health continues to infuse its HMO with cash.

This raises concern about Provena Health’s priorities and its financial stewardship of the health system it owns.

Could it be that Provena Health is infusing cash into PCHMO in order to try to sell PCHMO?

This is a good question to ask Provena Health. Another good question to ask Provena Health is: if Provena Health sells PCHMO, what will happen to the assets of PCHMO? Did any of those assets come from revenues generated by the local non-profit hospitals, and if so, will those be reinvested into the hospitals themselves?

Consumer and physician concerns regarding recent changes with PCHMO and Christie Clinic physicians, and MRI services

Recent changes regarding PersonalCare HMO (PCHMO) and Christie Clinic physicians and its MRI have been discussed in the media and among the public and consumers. Many PCHMO members are concerned about the changes that are happening, and in particular they are concerned for the following reasons:

1. Continuity of care is being disrupted as PCHMO members are being told that their physicians, such as the neurologists at Christie, are no longer allowed to be part of the HMO;
2. New physicians through contractual relationships with Provena Covenant are not from this community and most travel on a weekly basis to Champaign-Urbana but do not live here on a permanent basis. If contractual relationships do not work out, patients and members will be forced to start over again with other physicians;
3. Regarding the MRI: PCHMO will no longer cover MRI’s for outpatient testing at Provena Covenant, where Christie’s MRI is located. PCHMO will now only cover outpatient MRI’s done at Illini Open MRI in
Champaign. This raises several concerns for patients and their physicians, including:

- Images from open MRI’s are of a lower quality, and this causes concern among physicians and surgeons. Because of the lower quality of images, open MRIs should really only be reserved for patients who cannot tolerate the closed MRI.
- Patients who need MRI’s will face hardships and inconvenience because of having to go to a completely different location to obtain their MRI.

With all these changes happening, whose interests are being served?
This question, along with the health care cost impact on our local community are valid questions and concerns that deserve to be addressed by PCHMO, Provena Covenant, and its parent corporation.

**Conclusion**

Clearly, far more than just the name has changed as a result of the creation of the Provena Health system and its acquisition of our local hospital.

Provena Health system is complex, and it is difficult for a local community to try to keep an accounting of its local assets and how those are absorbed by and used in the larger health system and for what purposes and at what expense. But, because we are facing times of economic difficulty and rising health care costs, and because we value our local hospitals which are important community assets, we have to try to understand what is happening to our hospital as a result of Provena Health’s acquisition of it.

This report raises important questions from a community perspective. Provena Health and Provena Covenant Medical Center should address these community questions and concerns openly.

**Here are some findings from this report:**

- Covenant Hospital was financially healthy in 1997 when Provena took it over;
- Provena Health received cash transfers from Provena Hospitals, and in turn, transferred cash to Provena Ventures, its for-profit affiliate (which owns PCHMO);
- Provena Health has been cutting staff at Provena hospitals;
- Provena Covenant hospital has had staff cuts and there have been reports about negative consequences on patient health and safety and quality of care as a result;
- Provena Covenant is building three new physician buildings in Urbana and in Savoy;
• Provena Covenant has contracted with many for-profit companies to provide many of its hospital based services;

• Provena Covenant is sending to collections and suing low-income consumers; Provena Covenant’s lawsuits account for approximately 13% of the medical debt small claims lawsuits filed against consumers in Champaign County;

• The community, including consumers, nurses, and physicians are concerned about these changes.

**Recommendations**
The key recommendation we have to make is what prompted the writing of this report in the first place: it is time to start having a community-wide discussion about our local hospital, its financial health, patient safety, working conditions for staff members, and the stewardship provided by the parent corporation, Provena Health.

It is important for the community – anyone who is concerned about our hospital – to participate in these discussions. It is also important for Provena Covenant and Provena Health officials to engage with the community to address our concerns and allow us to participate in decisions regarding how to allocate our health care resources and local assets that are supporting Provena Covenant Medical Center.

Provena Covenant Medical Center is a valued community asset and we want to ensure its financial health and its capacity to deliver quality health care to this community.