

New York hospital to consolidate but retain Catholic identity

ELMIRA, N.Y. – St. Joseph's Hospital in Elmira has formally agreed to align with Arnot Ogden Medical Center in a merger that will enable St. Joseph's to retain its Catholic identity while consolidating with the secular hospital.

Officials from both institutions announced Jan. 12 that St. Joseph's and Arnot Ogden, as well as their affiliates and services, are being integrated into a single nonprofit corporation that will serve as the parent of a regional health care system. This development follows a series of discussions between St. Joseph's and Arnot Ogden, also in Elmira, subsequent to a letter of intent signed in August 2010.

The latest agreement still requires approval by the state Department of Health. In the meantime, the new partnership between St. Joseph's and Arnot Ogden will be conducted on an interim basis.

Officials of the Diocese of Rochester said Bishop Matthew H. Clark has reviewed the agreement, under which St. Joseph's will become part of a secular entity but still operate in accordance with the U.S. Catholic bishops' "Ethical and Religious Directives for Catholic Health Care Services."

According to a statement provided by St. Joseph's, Arnot Ogden will not be subject to the directives.

The new parent corporation will be overseen by a board of directors made up of existing board members from St. Joseph's and Arnot Ogden as well as Ira Davenport Hospital in Bath, which joined Arnot Ogden in 2010.

The statement from St. Joseph's added that the new regional system is expected to include "the merging of certain administrative and management services and the reconfiguration of inpatient and outpatient services," with the parent system expected to be formally created later in 2011.

In October 2010, in anticipation of the merger, New York state's Department of

Health appropriated \$20 million to the two Elmira hospitals via the state's Healthcare Efficiency and Affordability Law for New Yorkers.

Money is awarded under the law to assist hospitals and nursing homes fulfilling initiatives mandated by the state's Commission on Health Care Facilities in the 21st Century, created in 2005 to carry out consolidation of health care facilities and services around the state.

St. Joseph's and Arnot Ogden previously had discussed a merger in 2007. Talks at that time failed, in large part because Arnot Ogden offers contraceptives and performs abortions and sterilizations - practices that violate the Catholic religious and ethical health care directives by which St. Joseph's abides.

The same issues stood in the way of other partnership talks between St. Joseph's and Arnot Ogden during the tenure of Sister Marie Castagnaro, a Sister of St. Joseph who served as St. Joseph's president/CEO from 1988 until her 2010 retirement.

Hartman noted in an interview with the Catholic Courier, Rochester diocesan newspaper, in September 2010 that many pairings between Catholic and secular hospitals have occurred around the state in recent years as the number of single independent hospitals has steadily declined.