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Letter from Faculty of the PA Academy of Music

“... The uncertainty surrounding the future of the PAM has been a significant strain on us. The most recent articles in the Intelligencer Journal have left us dismayed and confused. We are held captive in a tangle of complex maneuvers and rumors that we find impossible to unravel.

“Despite this uncertainty, we wish to assure our students and the members of the public that we will continue to perform our teaching and administrative duties to the best of our abilities and to ensure that our students receive the best musical education possible...

“For us, the Academy is not an address on Prince Street. It is a closely knit community of students and

“ON THE BRINK”: In his memoir, former Secretary of the Treasury Henry M. Paulson, Jr. mentions: *“With Lehman looking shakier, I asked my senior adviser, Steve Shafran, to begin contingency planning with the Fed and SEC for a possible failure. Steve, a brilliant 48-year-old former Goldman Sachs banker who had retired from the firm in 2000, was an expert financial engineer. A widower who had moved to Washington to raise his*

their families, teachers, administrators, performers and members of the public who recognize and value the many activities which, through creative collaboration, are nurtured here...

“We very much appreciate the efforts of the founders, board members, staff, volunteers, advisers, government, corporate and individual donors, students and their families and the community of Lancaster. We hope that the vision we all share for PAM can emerge stronger than ever in the next few months.

“In the meantime we will do everything in our power to ensure that the scheduled activities at the Academy go on as planned...”

four children, he had offered to help me on a part-time basis. As the crisis unfolded, Steve would work around the clock as a go-to problem solver.”

WATCHDOG: This exemplifies a great truth. There are still successful people of high values who are prepared to make great sacrifices to serve the public. They often emerge at times of war and natural disasters. But we also see them other times when there is a clear cut need. Frequently these people come out of ‘nowhere’ to play pivotal and invaluable roles.

LETTER: *“[Police] regionalization is happening: Columbia, Manor and some others have had a couple of informal meetings on regionalizing the western part of the county. I believe they’re petitioning the state for assistance in researching the concept. You can draw your own conclusions as to why the city isn’t part of the efforts.”*

INTELLIGENCER JOURNAL: An editorial, **“Health reform: It’s a beginning, not an end”**, goes on to say, *“...this bill is not perfect. Like Social Security before it, it will have to be tweaked. This is a beginning, not an end.”*

WATCHDOG: Well said. A wag of the tail!

Exchange: Tom Beeman of LGH and Robert Field of NewsLanc

LGH: *“You wrote: ‘Because LGH can charge more to insurance companies, insurers in turn charge more to Lancasterian for coverage. So LGH’s huge profits are coming from our pockets.’*

“We can’t answer for what insurers charge their customers. What we can say however is our charges are comparable to other Lancaster County hospitals, and in many cases are lower than our two for-profit hospitals.... According to the Pennsylvania Health Care Cost Containment Council’s Hospital Performance Report 2008, Lancaster General Hospital’s charges were lower than Lancaster Regional Medical Center in 18 out of 27 procedures.”

NEWSLANC: The state report to which you refer lists the average prices that hospitals place on their services for treating a few dozen more or less typical procedures. Are you aware that the report cautions that the figures are not necessarily what patients actually pay?

Isn’t what patients actually pay determined by their insurance coverage, which is worked out between the healthcare provider—in this case LGH—and the insurance companies? ...

Doesn’t LGH’s relative market dominance enable it to negotiate higher rates for reimbursements than would otherwise be the case? Unlike in cities where there are two or more hospital of relatively equal size from which to choose, would insurance companies or individuals be likely to purchase insurance protection that did not provide coverage at LGH? Don’t the insurance companies in turn pass on their expenses in pricing their policies?

LGH: *“Furthermore, we have no desire to “crowd out” Ephrata Community Hospital. Lancaster General Health and Ephrata Community Hospital continue to look for ways to partner in ensuring healthcare services are available in one of the fastest growing regions of our community.”*

NEWSLANC: Kindly provide us with evidence that the management or board of trustees of Ephrata Community Hospital has expressed an interest in being a “partner” of LGH in the location that LGH seeks to develop within three miles of the Ephrata hospital.

Our article of September 16, 2009 headed “**Ephrata Hospital already has plans to handle population growth**” reports “*According to Ephrata Community Hospital (ECH) spokeswoman Joanne Eshelman, ‘We regularly evaluate our facility needs and have a plan in place to further develop our main hospital campus to meet the needs of this community’.*”

LGH: *“You wrote: ‘LGH, a non-profit ‘public charity’ is one of the least charitable hospitals in the state! We know not what it is doing with its vast earnings, but we do know they are not being directed adequately towards local public health and education.’ ”*

“This statement is categorically false. Our contributions to our community in charity care, free healthcare services, financial assistance and cash donations to government and school districts exceed other hospitals in our region.”

NEWSLANC: ... Are you denying: LGH has a much lower ratio of charity care within its uncompensated care total than the state average; LGH's percentage of its total revenue which went to uncompensated care is one of the lowest in the state and second lowest in this region (1.55% of revenue in FY2008, only barely above Heart of Lancaster at 1.52%); State statistics show LGH level of charity about half of the average of hospitals statewide; LGH has one of the highest positive operating margins and highest total margins of any hospital organization in the state of PA, in addition to some of the highest net patient revenue figures?

[To be continued in next week’s newsletter and at www.NewsLanc.com]

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