

LGH president's compensation eclipses charitable grants

NewsLanc is not critical of the levels of compensation of executives at Lancaster General Health (LGH). The hospital operates in what seems to be an exemplary manner and is a source of much pride to our community. The executives appear to be doing their jobs well and are entitled to compensation comparable to executives in similar positions elsewhere. That being said:

Much of LGH's profitability is due to LGH's market dominance and resulting ability to obtain higher payments directly from insurance companies and indirectly from the insured—the Lancaster County public. *NewsLanc's* issue is the failure of this 'Public Charity', one of the most profitable hospitals in the state, to spare more than a measly 1% of its "excess" (profits) with the community.

In stark contrasts to non-profit LGH's "grants" of only a meager one million out of profits of \$113 million, for fiscal year July 2007 through June 2008, President/CEO Tom Beeman alone earned \$1,280,262. In other words, Beeman received \$96,798 more than the total grant program!

Executive Vice President /Chief Operating Officer Marion McGowan was paid \$793,629. Executive Vice President Jan Bergen received \$614,320. Both are paid more than half the

amount of the grant program. Many other executives receive earnings ranging from the low to mid- six figures.

One cannot tell from LGH's Income Tax Filing to what use LGH is putting its windfall profits. What is clear is that some of this money would be better spent funding a syringe exchange and providing a daily clinic for the treatment of over 5,000 heroin addicts, thus helping them to return to productive citizens and curtailing the rate of the spread of various social diseases, especially HIV/AIDS , through sexual contact.

Furthermore, \$20 million instead of one million should be allocated for community betterment in education, to shelter the families of homeless children, provide dental treatment for the poor, and other social safety-net services. Over \$80 million would still be available for facility enlargement, modernization, and expansion.

Medical professionals are bright people and they clearly know more about treating sickness than the rest of us. However, that does not make them omniscient stewards of how the public's wealth should be spent. Instead of hiding behind an iron curtain of propaganda and silence, it is time for LGH to seek transparency in its dealings and to candidly communicate with and, above all, engage in a dialogue with the public.

2005 PT. II: Convention Center sponsors play charades

(Excerpted from installment thirty-three in a series by Christiaan Hart-Nibbrig)

"We don't have a 'Plan B'." — Nevin D. Cooley, President, Penn Square Partners, on

March 15th, 2005, after the Lancaster School Board rejected the Tax Increment Financing (TIF) proposal his partnership submitted.

In fact, PSP did and would soon announce it.

To listen to the reaction of the sponsors of the hotel and convention center after the school board rejected their tax abatement scheme, one would have thought the project suffered a mortal blow. The words were downright funereal in tone.

The next day, Jack Buckwalter *Lancaster Newspapers* chairman – and co-equal investor with High Industries in Penn Square Partners – was quoted in one of his papers after the school board vote:

“We are very disappointed. Over the past seven years, we have made our best efforts to bring the Watt & Shand building back to life. It appears that we cannot proceed under the conditions as set by the school board. So the project very well at this juncture could die.”

Dale High released a written published statement two days after the ‘Ides of March’ school board vote. *“We have stopped all work on our portion of the project, effectively immediately.”*...

But the project wasn’t dead at all. In fact, a ‘Plan B’, by which the City of Lancaster would own the hotel for twenty years had already been developed months earlier, was waiting in the wings, and they knew it!

INTELLIGENCER NEW ERA: Heading on front page article is **“Police: Victim ID’d her killer”** followed by the name and a picture of the alleged murderer, leaving little room for doubt.

WATCHDOG: No matter how strong the evidence, this old dog is concerned about ‘convicting someone’ in the newspapers before they have had a fair trial.

The idea of the city of Lancaster actually owning the former Watt & Shand building was first introduced in 1998, following the election of Charlie Smithgall to his first term as mayor.

The ‘fatal’ defeat the partners pretended to suffer at the hands of the school board was, literally, a public charade, and a poorly executed one, at that.

Months earlier, in a front page story on December 17, 2004, the *Intelligencer Journal* published an article (“*City to buy Watt & Shand*”) outlining a plan by which the city of Lancaster, via one of its agencies, would purchase the landmark building from Penn Square Partners.

Unlike the TIF proposal to the SD of L, the RACL plan would totally exempt the hotel from property taxes and would no longer come with an offer by PSP to contribute \$150,000 annually to the SD of L in lieu of property taxes.

Thus, on Monday March 28, 2005, the *Lancaster New Era* headlined. *“The death-defying Penn Square project is back on the fast track thanks to a revamped proposal. Construction expected to start in June.”*

That is why journalists should use the word “alleged”, not only to avoid libel but also to remind themselves, the reader and, above all, future jurors that suspicions may be strong but all the facts have not yet been gathered and no judge or jury has reached a verdict.

**The above have been excerpted from NewsLanc.com.
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