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QMG rejects compromise surgery center plan from Blessing

By Jason Lewton Herald-Whig

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QUINCY -- A last-minute compromise proposal from Blessing Hospital to Quincy Medical Group to halt the clinic's plan to build an ambulatory surgery center in the former Bergner's building at Quincy Mall will not stop QMG's plans to move forward.



Blessing CEO Maureen Kahn said the plan was presented to representatives of the QMG board late Monday.



Under the nonbinding plan, the surgery center now owned by Blessing in the QMG building would be converted into an ambulatory surgery center that would be held in a new LLC. Blessing would retain 60 percent ownership of the company, with shares of the remaining 40 percent to be sold to "eligible physician owners." Physician owners would be required to sign noncompete agreements that would prevent those physicians from owning or managing another ambulatory surgery center within 30 miles of Quincy for three years after termination or withdrawal of ownership.



In addition, the plan called for a third-party management agreement. Kahn said that would address concerns QMG had expressed regarding management of the current center. "Even though they now manage the center," Kahn said.

Kahn also said the plan would ensure the facility would be able to "treat all comers, regardless of their ability to pay."

Kahn viewed the plan as beneficial to local health care consumers as it would maintain a local ownership model.

"I personally think this is a big win-win for both of us and a huge win for the community," she said.

In a statement released Wednesday afternoon, QMG CEO Carol Brockmiller acknowledged receiving the Blessing proposal "offering a minority ownership stake to a select group of QMG physicians in the existing Surgery Center of Quincy currently wholly-owned by Blessing."

The statement said the outreach was welcomed and that QMG "will continue to dialogue" with the hospital.

"At this late stage however, we do not plan to withdraw our proposal, as requested by Blessing, for a standalone surgery center or to enter into an agreement not to compete against the hospital," Brockmiller's statement read. "We continue to believe there is a need for additional outpatient surgical facilities in the community, especially as we consider the recruitment of new physicians to the area, the growing trend toward outpatient care, the cost efficiency provided to patients and the aging population of our region."

Other caveats in the Blessing proposal would allow physician owners to "hold primary discretion" over naming a medical director for the facility and appointing a quality committee that would maintain standards and protocols.

Kahn said another benefit in enacting the plan would be that most of the work could be done in two to three months, compared with the 18- to 24-month startup time that she said the QMG plan would require.

Lower costs to patients also would come from converting the current center into a freestanding ambulatory surgery.

In a letter to the Illinois Health Facilities and Services Review Board, Tracey Klein, an attorney representing QMG, outlined the clinic's rejection of the Blessing proposal, but said the clinic remains open to other options.

"Even if Blessing proceeds with its designation change and, once obtained, begins charging lower facility fees based on ambulatory surgery center rates rather than hospital outpatient department rates, the need for a new surgery center remains," Klein wrote.

The letter said that increasing access to various procedures, improving quality of care and increasing patient choice, among other reasons, all are driving the plan.

Brockmiller said competition already is proving beneficial.

"What is clear from these 11th-hour overtures is that competition is already at work," her statement read. "We welcome it and ultimately know access and choice is in the best interest of the Quincy community."

Wednesday was the final day for public comments to be submitted to the HFSRB, which ultimately will decide whether to issue a certificate of need for the QMG's planned ambulatory surgery center.

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