

Lakewood City Council to Consider Lakewood, Cleveland Clinic Agreement

The following is from City of Lakewood Mayor Madeline Cain's press release distributed Wednesday evening:

FOR IMMEDIATE RELEASE: NOVEMBER 13, 1996 -- 5:00 P.M.

On Thursday, November 14, 1996, Mayor Madeline A. Cain will submit to Lakewood City Council, for consideration, a new lease negotiated between the City of Lakewood and the Lakewood Hospital Association (LHA), the non-profit corporation established in 1987 to manage the City-owned Lakewood Hospital.

The Lease proposal:

- Will allow Lakewood Hospital to affiliate with the Cleveland Clinic Foundation (CCF), thus strengthening Lakewood Hospital's ability to provide high-quality, community-based health care services within an ever changing, competitive health care market environment.
- * Increases from \$200 per year to \$1,000,000 the annual lease payment to the City of Lakewood
- Increases the lease payment every three years \$25,000, beginning in year four of the lease.
- Guarantees LHA's full payment of debt service on the Hospital bonds.
- * Protects specific health care services, including adult and pediatric acute care, obstetric/gynecologic care, emergency room and rescue squad/paramedic services.
- * Maintains Lakewood Hospital's indigent care obligation.
- Increases the current lease term of 25 years to a 30-year term with a sole right provided to LHA for a 30-year renewal.
- Protects the City of Lakewood's ownership of current property and any future acquisitions by LHA.
- * Guarantees that all assets (property and cash) revert to the City of Lakewood at the end of the lease term.
- * Increases the Lakewood Hospital Board of Trustees from 21 members to 23 members.
- Retains the City of Lakewood Board of Trustees appointments: Mayor, two members of Lakewood City Council, two appointments by Mayor, two appointments by City Council, three individuals nominated by City Council and representing community organizations.
- Designates CCF as the member of the Lakewood Hospital Association.
- Provides CCF three seats on the Board of Trustees.
- Requires approval by LHA and ratification by CCF of all Board appointments, except Mayor, Members of Council and Immediate Past President of Lakewood's medical staff.
- Provides City of Lakewood the right to require LHA to enforce provisions of the Agreement between LHA and CCF.

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Hospital Highlights is a weekly bulletin for the employees of Lakewood Hospital.
Submit your news to Public Affairs for future issues.

Lakewood/CCF continued...

Lease negotiations between the City of Lakewood and LHA took place concurrent with negotiations between LHA and CCF:

The following additional financial terms are provided within the Agreement between LHA and CCF:

- LHA will maintain a ratio of 1:1 debt to cash. — *Make L.H. successful* —
- An annual average capital reinvestment by LHA of \$5,000,000. — *return* —
- An initial investment by CCF of \$10,000,000 to enhance Lakewood Hospital's competitive position.

"Lakewood Hospital is one of the most important institutions in our community," commented Mayor Cain. "In addition to being an outstanding community-based health care facility, Lakewood Hospital is also a major economic anchor in downtown Lakewood and a strong partner, not only with the City of Lakewood, but with other local service providers, in generously supporting and providing services to our seniors, young families and the medically indigent. Assuring its continued viability is consistent with protecting the best interests of our community."

Mayor Cain will recommend that City Council approve the proposed lease amendments.

In a special meeting held Wednesday evening, Lakewood Hospital Board of Trustees received the affiliation documents. "Lakewood Hospital is very pleased about the proposed relationship with the Cleveland Clinic Foundation. Our relationship with such a world-renowned institution will help assure that high quality health care services remain available to area residents and that Lakewood Hospital continues its vital role as a community health resource, civic partner, and a stable hospital employer with a strong commitment to private practice medicine," said William R. Gorton, Chairman, Lakewood Hospital Board of Trustees. "Our goal is a mutually beneficial relationship resulting in improved health care for the City of Lakewood and surrounding communities."

Lakewood City Council will consider the proposed agreement in its upcoming November and December meetings.

Tax Deferred Annuities

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Mr. Earl Belden with VALIC and Ms. Joyce Browning with Aetna will be in the hospital cafeteria on November 19 from 10:30 a.m. to 1:30 p.m. to discuss your tax deferred annuity account, to help you open a TDA and to answer any of your questions.

Employees may also enroll in a TDA plan offered by Fidelity Investments. An information/enrollment kit on Fidelity funds is available in Human Resources from Barry Dore by calling ext. 8161.

Canned Food Drive for the L.C.A.C.

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The Lakewood Charitable Assistance Corporation has boxes on the 2nd floor lobby for you to contribute canned and dry goods to help feed 250 area families. The drive will run through Friday, November 22. Please make our hospital a success and donate what you can.

HeartWalk Teams Surpass Goal

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Thanks to everyone who sponsored a walker in the recent American Heart Association HeartWalk. The hospital's five teams raised a total of \$1,876 — \$376 more than our \$1,500 institutional goal! This placed Lakewood among the top 20 companies in walker sponsorships; Lakewood raised the third highest amount of money among hospitals behind the Cleveland Clinic (\$2,600) and Fairview (\$2,121). Special thanks go to the team captains who helped organize and motivate their teams: Joanne Arunski, John Bolan, Barry Coletti, Therese Dickerhoof, Terry Hopkins and Jerry Mallicoat.

Christmas Buffet Volunteer Sign-Up

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The 1996 Lakewood Hospital Employee Christmas Buffet will be held Thursday, December 19. Employee volunteers are needed to help with matting of trays and beverage service. Please submit the form below as soon as possible to the Human Resources Department if you will be able to help out with this holiday tradition.

Christmas Buffet Volunteer Sign-Up Thursday, December 19, 1996

Circle One

Lunch:	11 a.m. to Noon	Dinner:	4 to 5 p.m.
	Noon to 1:30 p.m.		5 to 6 p.m.
	Night Supper:	9:30 to 11 p.m.	

Name _____
Department _____ Ext. _____