



Date posted online: Thursday, November 15, 2007

For-profits join not-for-profits in Munster hospital venture

BY SUSAN ERLER

serler@nwitimes.com or 219.548.4349

Physicians have partnered with a regional health care provider in a first-of-its-kind venture in Northwest Indiana.

The arrangement joins the not-for-profit Sisters of Saint Francis Health Services Inc. with a group of 85 physicians to own and operate Franciscan Physicians Hospital, 701 Superior Ave., Munster.

Officials unveiled the new name and owner relationship of the former Heartland Memorial Hospital earlier this week.

While there are other physician-owned hospitals in the area, "this is the first for-profit jointly owned by a not-for-profit and physicians," said Barbara Green, Franciscan Physicians Hospital president.

The joint venture aligns the interests of the physicians, the hospital and the patients, said Gene Diamond, Northern Indiana Region CEO of the Sisters of St. Francis Health Services.

The doctors, about 60 of whom practice at the Hammond Clinic, owns 40 percent of the hospital. The Sisters of Saint Francis, with four hospitals in Northwest Indiana, owns 60 percent.

The Sisters of Saint Francis acquired the former Heartland Memorial hospital a year ago with the intent of eventually forming a joint venture.

The alliance between the physicians group and the not-for-profit will provide Sisters of Saint Francis with a funding source for serving uninsured and underinsured patients, part of its mission, Diamond said.

"We're using a for-profit vehicle to fund a not-for-profit mission," he said. "That's what we're really up to with this partnership."

Alignments like the one between Sisters of Saint Francis and the physicians group had been happening in other parts of the country, Munster-based Hammond Clinic managing partner Cynthia Sanders said.

"We have actually been thinking of this type of alignment," Sanders said.

When approached by Sisters of Saint Francis "we felt it had to be a win-win," she said. Patients win "because everybody delivering their care is now on the same page."

The 63-bed facility provides a combination of primary and specialty care, including cardiovascular and orthopedic surgery.

An urgent care center is scheduled to open in January.

Print Page

Copyright © 2007 nwi.com