

[Print Page](#)

Elma is best for new hospital, consultant says

By [Jillian Beaudry](#) - The Daily World

Thursday, February 4, 2010 11:13 AM PST

ELMA — After months of crunching numbers, the analyst looking into the best site for the future Mark Reed Hospital told a crowd of about 30 last night the hospital would do best financially in Elma.

A specific site for the hospital is expected to be announced later this month.

Marc Sauv , a senior health care strategist with Gresham Smith & Partners, said his firm compared population and health care data to come to its conclusion. He said they looked at residents with Elma, McCleary and Montesano zip codes to see how the future hospital would benefit if it was constructed in Elma or McCleary.

Grays Harbor Hospital District 1 hopes to build a new \$15 million to \$25 million hospital in East County to be financed with loans.

"It's actually a great time to be borrowing money and taking advantage of funding at the state and national level," Sauv  said. "Distance (traveled) matters in health care. Convenience is really important."

Sauv  said while population growth is steady in both Elma and McCleary, more people from Elma are using Mark Reed Hospital each year than from McCleary.

Sauv  said in 2008, Elma residents underwent 3,280 outpatient procedures at the hospital. The same year, McCleary residents underwent 2,000 outpatient procedures.

He said Elma has a larger market share and recommended it would be financially wise to build a hospital closer to those residents and draw more from Elma's larger community.

"As you get more patients, you are able to offer more services," Sauv  said.

If the hospital is located in Elma, he said it would maximize its market potential.

There are two proposed locations for the hospital in Elma, one at the old Oakhurst Convalescent Center and a Green Diamond property about 2 miles west of the fairgrounds, said Ren e Dunham, Mark Reed CEO.

Dunham said this month all of the proposed sites, including the Elma properties and McCleary sites — two Green Diamond properties, a combination of four real estate properties and a private piece of property — will be considered by the hospital district's board.

"This is just the first brush of what would be the more appropriate location," Dunham said. "We can't afford to build somewhere that doesn't makes economic sense."

She said after the meeting while the recommendation is to build in Elma, there is still a chance a McCleary site may be chosen. If the board chooses Elma, the current facility may stay open as a

primary care clinic, she said.

County Commissioner Terry Willis was asked by a community member at the meeting if the county can commit to letting the district purchase the Oakhurst site. Willis remained noncommittal.

"We have tossed around the idea," Willis said. "There's been no formal commitment to it. It's being considered at this time."

Dunham said if all of the funding comes through and the site paperwork is completed in a timely manner, the hospital could be finished as early as 2013.

"If the sun, the stars and the moon align," Dunham said with a laugh.

Construction will likely take 15 months.

At last night's meeting, community members did not voice whether they supported the analysts' recommendation to build in Elma, the questions were more analytical. Attendees wanted to know how Mark Reed compares with hospitals in Olympia, its impact on primary care providers in Elma if it is built there and whether Green Diamond will donate land as was done by the Simpson Timber Company with the current site.

Willis said she was concerned about the district's finances, which have been poor in the past, and what would happen to the community if the district defaulted on a loan.

"You are hoping to take on a good-sized loan," Willis said. "Should you default on a loan, how would the chips fall?"

Dunham assured the audience the district is going through an intense financial analysis, and wouldn't take on the project if the hospital didn't think it could afford it.

Sauvé said even he was able to feel the energy in the community about this issue and told district officials to use that excitement.

"There is momentum," Sauvé said. "People feel it; they sense it. Let's keep that going."

Another town hall meeting presenting the same information will be held tonight at the McCleary Community Center at 6:30 p.m.

Copyright © 2010 The Daily World.

This content may not be archived, retransmitted, saved in a database, or used for any commercial purpose without the express written permission of The Daily World.

[Privacy Policy](#) | [Contact Us](#) | [Company History](#) | [Publisher Information](#) | [Do Not Call Policy](#)