



Frequently Asked Questions

Is it true that Haywood and WestCare have merged?

No. The boards of Haywood Regional Medical Center (HRMC) and WestCare Health System (WestCare) have formally agreed to form a unified healthcare system that will integrate the strategic, operational, and financial aspects of both organizations. This integration is not a “merger;” rather, it is a legal arrangement that will provide patients within the newly defined service area with enhanced access to a broader array of services.

WestCare Health System includes Harris Regional Hospital, Swain County Hospital and other healthcare facilities serving a four-county area in Western North Carolina.

The goal of the new arrangement with Haywood Regional is to help reduce operating expenses, while improving quality and patient safety.

The recently approved Joint Operating Agreement (JOA) permits the continued existence of separate boards of directors, but vests much oversight responsibility with a newly formed Joint Operating Company (JOC) board of directors.

HRMC and WestCare will be the sole members of the Joint Operating Company (JOC) and will share equally in the financial operations of the new company. In the healthcare industry, hospitals may form a JOC to provide a stronger financial structure and to enhance service delivery.

By what process did the two organizations come together?

The boards of the respective hospital systems have been engaged in the process of selecting a partner and joining the two systems together for over 18 months. Members of both boards have spent hundreds of volunteer hours in meetings with consultants and legal advisors in order to garner and evaluate the technical advice needed to make the very best decision.

Starting in the early months of 2008, HRMC and WestCare began informal discussions regarding how best to enhance the delivery of healthcare services to the people of their respective communities. In late 2008 both boards agreed that the best course of action was to secure a partner to assist in bringing the two organizations together.

Shortly thereafter, formal RFPs (requests for proposals) were sent to select organizations that had the resources needed to effect both a unification effort and also provide continuing management services to a combined operation.

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Following a very intensive review process, the boards selected Carolinas HealthCare System as the manager. At that point, in April 2009, a Joint Study Committee was formed to negotiate the details of the future affiliation.

The JOA announcement on October 21 represents the culmination of that effort.

What is the name of the new organization?

“MedWest Health System” is the name of the new Joint Operating Company; however each of the individual hospitals will continue to use their current names: Haywood Regional Medical Center, Harris Regional Hospital and Swain County Hospital.

When will the new company begin operations?

It is anticipated that MedWest Health System will begin integrating the operations of the two systems in January 2010. Some approvals are still pending, but those are expected to be received in a timely manner.

Who will be CEO of the new JOC?

That decision will be made by the newly constituted board of MedWest Health System and CHS in the next few months. A proficient management team at each hospital has helped to guide this integration effort, and they are to be commended for their conscientious and unselfish leadership throughout each step of the process.

Who will be on the governing board of the new JOC?

The board will be made up of 14 members, with seven from Haywood County and seven from the counties that comprise WestCare’s primary service area. The boards of HRMC and WestCare have appointed five members each and those 10 will select four at-large members to complete the board.

Will there be physicians on the new JOC board?

Each of the member systems, HRMC and WestCare, will have two active medical staff members on the board of MedWest Health System.

What will be Carolinas HealthCare System's role with respect to MedWest?

The board of MedWest Health System will enter into a management services agreement with Carolinas HealthCare System. Under the terms of the agreement, Carolinas HealthCare will employ the executive team and provide MedWest Health System with a wide range of corporate-level management services.

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Carolinas HealthCare will not have an ownership interest or a direct role in the governance of MedWest Health System.

Carolinas HealthCare will provide MedWest with the experience and resources of a comprehensive, multifaceted organization. Those resources will be brought to bear in a way that will help all of the MedWest hospitals improve patient access, lower patient costs and improve patient outcomes.

With the addition of the MedWest hospital group, CHS will operate 32 hospitals across the Carolinas. CHS provides a strong support structure for those hospitals and the hundreds of other care locations it manages. The management services agreement ensures that these support mechanisms are available to MedWest.

What will be the continuing responsibilities of the existing HRMC and WestCare governing boards?

Under the terms of the JOA the individual hospital boards will continue to credential medical staff at their respective facilities and will have certain other reserved powers. For example, the JOC could not accept new members without the approval of the individual boards.

What impact will the new arrangement have on employees?

Salaries, benefits and retirement plans have always been subject to annual review by HRMC and WestCare, and from time to time over the last few years changes have been made as necessary to those plans. That process will continue. The formation of the combined organization will not be a sole factor in deciding if there will be changes. In fact, one of the reasons for selecting the JOC organizational structure was so that the current retirement plans could remain in place.

Will any employees lose their jobs as a result of the JOC?

This question has not been addressed and likely will not be for at least several months. In some organizations that have formed a JOA, over the long term, the

employment base has actually increased as the new organization developed new services and expanded existing services.

Will patients in this part of the state now have to travel to Charlotte for more complex medical services?

No. There is no plan to disrupt existing physician referral patterns. Patients, their families and their doctors will continue to make decisions about where patients will go for care.

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As noted, it is anticipated that over time additional and more sophisticated services will be offered, thus allowing patients to stay closer to home for their care.

What impact will the JOC have on local doctors?

Physician representation has been important from the beginning of this process, and members of the medical staff at both HRMC and WestCare have participated in the work of the Joint Study Committee. The committee was diligent in seeking physician input and making sure that issues of particular interest to doctors were addressed during negotiations.

The JOC is expected to provide numerous benefits for the medical community, including the enhancement or expansion of existing services, and the development of new programs.

Will the three hospitals that form MedWest be jointly marketing their services?

Yes. MedWest will oversee the marketing of services for each of the individual hospitals. This is just one of many ways that savings can be realized, while highlighting the benefits that will be available through joint operations.