Hospital Privatizer In D.C. Fails Standards

by Edward Spannaus

In a scandal which ought to be front-page news in the nation's capital, the private hospital which was given the contract to take over services from D.C. General Hospital, has been downgraded by the national agency which rates hospitals, due to violations of patient care and management standards. As a consequence of its downgraded status, Greater Southeast Community Hospital is at risk of losing its ability to collect Medicare reimbursement from the Federal government.

Last year—over the unamimous opposition of the City Council—the D.C. Financial Control Board, in league with corrupt Mayor Anthony Williams, privatized the District's public health system by shutting down its only public hospital, turning over hospital and clinic services to a private cabal headed by Greater Southeast. Greater Southeast is owned by the Arizona-based Doctors Community Healthcare Corp., which *EIR* exposed as having been investigated and/or sued in numerous jurisdictions for fraud and racketeering. *EIR* investigators were told that DCHC's *modus operandi* was to take over hospitals, then loot the income from Medicare, insurance payments, etc.

Even before these latest developments, Greater Southeast was already in violation of its contract, which requires it to provide a Level I Trauma Center to replace the top-level Trauma Center at D.C. General which was shut down. Scores of patients have died in the capital over the past year as a result, particularly patients suffering severe trauma such as gunshot wounds—where the difference between five and fifteen minutes to reach an emergency room, can be the difference between life and death.

As well, the so-called D.C. Healthcare Alliance, part of the DCHC privatization scheme, has only enrolled one-half to one-third of those anticipated in its HMO-type program, leaving tens of thousands of residents formerly served by D.C. General without health services.

The Coalition to Save D.C. General, spearheaded by Lyndon LaRouche associates, had warned of exactly this.

Accreditation Downgraded

On Feb. 23, the Joint Commission on Accreditation of Healthcare Organizations (JCAHO), reduced Greater Southeast's rating to "conditional," with the downgrading only becoming public in June. JCAHO's definition of "conditional" accreditation, is that the health-care organization (1) fails to comply with standards in multiple areas; (2) is persistently unwilling or unable to demonstrate satisfactory compliance with JCAHO standards; or, (3) fails to comply with standards, but is believed to be capable of complying within a stipulated time period.

According to information provided by JCAHO to *EIR*, the 12 performance areas which were cited in connection with the rating included: (1) initial assessment procedures for incoming patients; (2) medication use, including procedures for ensuring that medications are dispensed in compliance with all laws and regulations, and that the right medication is given to the right patient; (3) special procedures, such as restraint, seclusion, convulsive therapy, psychosurgery, and behavior modification; (4) infection control; and (5) safety plans. Additionally, seven categories of management and administrative procedures and requirements were cited.

The downgrading of Greater Southeast's JCAHO rating then caused the Centers for Medicare and Medicaid Services (CMS), of the U.S. Department of Health and Human Services, to conduct its own review of Greater Southeast's status. It was reported in the *Washington Business Journal* on June 28, that Greater Southeast is at risk of losing its ability to collect Medicare reimbursements from the Federal government.

Greater Southeast was notified in a CMS letter on June 24, that deficiencies were found in health and fire safety inspections by CMS in March and April, and that unless corrective action were taken, Greater Southeast could be removed from the Federal Medicare program. *EIR* has been told by a source familiar with these proceedings, that Greater Southeast has now submitted a plan to correct the deficiencies, but it is not clear if the corrections have yet been made.

Getting Away With It?

The single largest group of contributors to Mayor Williams' current re-election campaign is the Arizona-based DCHC. In the six-month period following the hospital privatization, $98,000, or more than 20% of Williams' contributions, came from DCHC itself and its employees and affiliates, including 13 of the 15 members of DCHC's senior management.

EIR's review of Williams' contributor list shows a strikingly-large number of donors from Scottsdale, Arizona, and vicinity. Some 41 contributors are readily-identifiable as affiliated with DCHC or related firms—which has caused some to dub the Mayor as "the Candidate from the Sonoran Desert."

Astoundingly, the downgrading of Greater Southeast was made public at the same time that Greater Southeast and DCHC are angling to build and manage a new hospital on the D.C. General site. Out of desperation, leaders of the D.C. Council are reportedly favorable to the DCHC proposal, since they do not believe that any other financing for a new hospital would be available.

All of which points up the urgency and necessity of Lyndon LaRouche's proposal (*EIR*, May 31) that the U.S. Congress take responsibility for rebuilding D.C. General as part of a national health-security plan.