

Rockdale Citizen

LifePoint takes over RMC reins

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CONYERS - Rockdale Medical Center entered into a new era as a privately owned hospital Monday after local officials completed the sale of the 55-year-old facility to LifePoint Hospitals Inc.

The Hospital Authority of Rockdale County announced the sale was completed for a price of \$80 million plus net working capital. The sale capped a two-year process to find a "capital partner" after RMC reported an operating loss of \$15 million in 2006.

Patients and the public should see little change to the operation of the hospital. LifePoint President and CEO William Carpenter and other company officers spent Monday meeting RMC employees and answering questions.

Carpenter said his company's goal was to make people want to come to RMC and said he believed the area was a viable market for health care.

"By adding services and carefully recruiting the right doctors to the community, more patients will have the ability to choose Rockdale Medical Center for care," he said. "It will be a significant hospital right out of the chute. It will be a more significant hospital a few years down the road."

As part of the sale agreement, Nashville-based LifePoint is required to spend \$30 million in six years in capital improvements at RMC. Carpenter said the company will have to assess in the coming months what is needed and how to prioritize the projects.

Current work on a new outpatient diagnostic imaging center will take precedence for now. The center will be located at Conyers Medical Park at 1300 Sigman Road and offer MRI and CT scans.

Carpenter did say he believes a PACS, picture archiving and communications system, would tie in well with the diagnostic center and improve service at the hospital.

A PACS gives physicians instant access to images on site and off and can be viewed by multiple consulting physicians regardless of their location.

Carpenter said any decision on capital improvements will "not be done in a vacuum," and that RMC's advisory board will be involved in determining those needs.

The nine-member advisory board that will replace RMC's Board of Directors will be named in the next two to three weeks. Carpenter said that RMC Board of Directors Chairman Rick Simons and Hospital Authority Chairwoman Ethel Boyle have agreed to serve in two of the three seats on the advisory board appointed by LifePoint.

The Hospital Authority will nominate local residents for two seats. Physicians will fill four seats on the advisory board.

Money from the sale will be used to pay off all outstanding debt of the hospital. The Hospital Authority will have about \$40 million left over from the hospital's cash reserves.

The principal from the purchase will be restricted until the seven-year right of first refusal clause expires to protect the ability of the Hospital Authority to repurchase the hospital if LifePoint decides to sell.

Interest earned on the \$40 million will be used to help support health care programs in the county. Boyle said it will take about a year for the Hospital Authority to identify the most pressing local health care needs and develop a mechanism to distribute funds.

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