# The Final End of Madison

WM 1316

### — PART ONE —
## THE EARLIER YEARS

The history of Madison, from its founding to the closing of the college (1904-1965), is told more completely in our book, *Broken Blueprint (pp. 57-139),* than in any other publication.

It is a story our people need to know; and you will want to share copies with them *(432 pp., 50 cents in boxfuls of 24, at $12.00 + $8.50 = $20.50 [foreign: $18.00 p&h] // Single copy: $5.00 ppd.).*

The cause of its demise is indeed a shocking one; and the fact that the Kentucky-Tennessee Conference, to which Madison was entrusted, voted to terminate not only the nursing school but also the college as well on February 6, 1964, within a year after being given the school and other Madison facilities (February 3, 1963), only added to the tragedy.

The College and nursing school officially closed their doors on September 1, 1964—60 years after it was started by E.A. Sutherland, P.T. Magan, and Bessie McGraw in 1904.

Madison Foods was turned over to the Southern Union in 1964; which rather quickly sold it to Worthington Foods; which, in turn, closed down the Madison factory in 1972 and moved its equipment to Ohio *(Broken Blueprint, pp. 124).*

In 1976, ownership of Madison Hospital, which by that time had been entirely revamped into an acute-care drug and surgery facility, was handed to Adventist Health Systems/Sunbelt *(p. 124).*

On November 15, 1996, AHS and local Madison Hospital managers held a gala gathering, called "Festivities"; in which they celebrated the partnership of Madison Hospital with the Baptist Hospital in Nashville, by this time called Tennessee Christian Medical Center (TCMC).

The merged corporation was called Baptist-Centra Care; and a large, new building, named Baptist Medical Plaza, was erected by the Baptists next to what used to be called Madison Hospital *(pp. 124-126; Madison Unites with the Baptists [WM–745]).* More recently, TCMC entered into a corporate linking with St. Thomas, the largest Catholic hospital in Nashville *(p. 126).*

### — PART TWO —
## THE FINAL END OF MADISON

All that remained of the original Sutherland-Magan property was the Hospital. Yet the word, "Adventist," was hardly to be found anywhere on or in the facility. By 1996, the merged medical facility was no longer called "Madison Hospital"; but it was referred to, by the public press, as "the Tennessee Christian's Madison campus." The phrases "Adventist" or "Seventh-day Adventist" were nowhere to be seen on signs or patient hospital forms throughout the facility.

Here is the story of its final days:

By late 2005, Tennessee Christian's Madison campus consisted of a 273-bed hospital, a 95,000 sq. ft. medical office building, and a therapy center for rehabilitation and behavioral services. The Portland, Tennessee, facility (a branch of TCMC) had 38 beds with a 24-hour emergency center, physical therapy, and cardiopulmonary and respiratory services. Both facilities were owned by Adventist Systems.

In June 2004, AHS, working closely with TCMC officials, began searching for a buyer for the Madison and Portland facilities. The reason cited was "rising costs and increasing hospital competition in Nashville."

Yet we discovered that on June 27, 2005, the *Nashville Business Journal* reported that "in 2002, the most recent year for which data is publicly available," the two hospitals (Madison and Portland) "generated $174 million in gross revenue, a figure that was reduced to $76.6 million after various contractual adjustments. Net income for that year was about $1.5 million."

Why was AHS, along with the Baptists involved in TCMC management, so anxious to get rid of the remnants of what was formerly the old Madison Institute holdings,—when the two hospitals were making at least $1.5 million in profit each year?

Repeatedly, over the years, we have reported on Adventist facilities of various types, which were closed down, bankrupted, or sold—in spite of producing profit.

Why is the church so intent on eliminating itself? At least, it seems strange that there was a need to get rid of the final memories of Madison, when other AHS hospitals were left undisturbed.

> "Randy Surber, vice president of development at the Madison facility, says hospital industry players are always discussing deals, but can't address whether Tennessee Christian is talking with anyone specifically or if an offer had been made."—*Nashville Business Journal, June 27, 2005.*

That was in June 2004. Instead of studying the Spirit of Prophecy blueprint, and giving natural remedies and hydrotherapy and herbal treatments—which would have produced wonderful results and brought in many new patients, the hospital administrators were

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discussing deals.

If we would have followed the instructions given us in the Spirit of Prophecy, we would now be at the head of the medical-care industry instead of at the tail. We are now just another drug, cut, and burn outfit. Chasing after the world, we have embraced pharmaceuticals, surgery, and radiation as the great panacea of the human race.

Adventist Hospital System/Sunbelt (AHS/Sunbelt) was busily looking for a way out. The report, six months before the end, was this:

> "Kevin Edgerton, director of communications at Adventist [AHS/Sunbelt], says the company has had conversations in the past and more recently with others, but declined to give details of those talks or whether they included selling the facility. Of all the relationships discussed, focusing on a sale would be too speculative, he says. When asked last month about the property, Edgerton said Adventist 'never says never' about acquisitions or divestitures."—*Nashville Business Journal, June 27, 2005.*

The wheeling and dealing continued. Then on December 20, 2005, the announcement came:

> "HCA [Hospital Corporation of America] and Adventist Health System have reached a definitive agreement for HCA to acquire Tennessee Christian Medical Center.
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> "Under the agreement, HCA's TriStar Health System will assume management oversight for both of Tennessee Christian's campuses in Madison and Portland, Tennessee."—*Tennessee Tribune, December 28, 2005.*

This takeover will probably mean the shrinking of both facilities and the discharge of an undisclosed number of employees. This is hinted at in the following paragraphs:

> "Larry Kloess, president of TriStar Health System said, 'As we make plans to bring Tennessee Christian's resources into the TriStar Family of Hospitals, we will look closely at how we can consolidate services in this expanded network, while continuing to serve the Madison and Portland communities. We hope to retain as many employees as possible in some capacity."—*Ibid.*
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> "Larry Kloess, president of TriStar, who visited both hospitals yesterday to deliver news of the acquisition to TCMC's roughly 1,000 employees, said it was too early to know whether job cuts would follow, though none were immediately announced . .
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> "Brenda Lea, a nurse manager who has worked at TCMC's Portland facility for three years, said the overwhelming mood at the rural hospital is one of anxiety about what's to come."—*Tennessean, December 21, 2005.*

In spite of the fact that, in the most recent disclosed year, Madison had a net income of $1.5 million, AHS/Sunbelt was still anxious to get rid of it.

> " 'Like many hospitals located in competitive markets across the country, Tennessee Christian has struggled to attract enough patients to be financially healthy,' said Robert R. Henderschedt, chairman of the Tennessee Christian board of Directors and senior vice president of AHS. 'Tennessee Christian has many strengths. While we regret having to take this action, it became clear that the most responsible decision was to sell this asset to a new owner that has the critical mass in this market to be successful.' "—*Ibid.*

AHS was here saying, in effect, that $1.5 million net profit each year is simply not enough to continue operating this hospital.

Yet elsewhere in this same article the reader is told that the holdings of AHS are immense:

> "Initially established in 1973 to operate Seventh-day Adventist healthcare organizations in the southern and southwestern regions of the United States, Adventist Health System is now the largest not-for-profit, Protestant healthcare system in the U.S. Adventist Health System currently operates 38 hospitals totaling more than 6,300 beds, 19 extended-care facilities, and more than 20 home health, hospice, medical equipment and infusion entities in 11 states."—*Ibid.*

That statement is only referring to the largest of the AHS systems: AHS/Sunbelt, which only has hospitals in the southeastern and southwestern states. All the AHS systems combined have hospitals in states all over the nation.

The December 21 issue of the *Tennessean*, one of that state's largest newspapers, added this information:

> " 'We've been in this [deal-making] process for several months,' Randy Surber, vice-president of TCMC business development, said. 'We've been looking for an opportunity in the market to help improve our financial performance. We believe that HCA has the critical mass in this market to do just that.' Surber admits that any future changes at the hospital will be up to the new owners."

It is well-known that, since the late 1970s, there are relatively few Adventists working on the floors at most Adventist hospitals. Most are in management positions. Madison and Portland had a somewhat higher ratio of believers to nonbelievers than most AHS facilities. Now that Madison and Portland have been sold, even more church members may be discharged amid the downsizing that typically follows corporate mergers.

In the same article, one employee at the Portland facility expressed concern whether the Adventists at the two hospitals would be permitted to continue praying with patients.

—So we have come to the final end of the Madison Institute, founded in 1904 by faithful Advent believers at the urging of Ellen White.

A church member in Nashville told me on the

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phone that there is a $3 million debt on the Madison Campus Church, which has almost 1,400 members. The talk among them is that many Adventists will lose their jobs.

We next turn our attention to the purchaser. What do we know about HCA, which Madison was finally sold to?

### — PART THREE —
### THE SORRY HISTORY OF HCA

TriStar Health System is a subsidiary of Hospital Corporation of America (HCA).

HCA hit the headlines in the summer of 1997, when it was disclosed that this fast-rising for-profit corporation (at that time called Columbia/HCA), which in recent years had rapidly acquired many U.S. hospitals and nursing homes, was involved in a massive medicare fraud.

At that time, it was the largest health-care company in America, with 340 hospitals under ownership in 23 states, as well as in England and Switzerland.

A massive anti-fraud investigation was initiated by the federal government in July 1997.

> "The government probe focused on allegations that Columbia/HCA had systematically and criminally defrauded Medicare, the federal health insurance program for the elderly and disabled."—*Laurier Business and Economics Summary Report.*

This "systematic" activity was alleged to have reached into the highest levels of leadership, as well as a number of subsidiary levels. The case dragged on for several years.

Surprisingly, HCA survived. It did it by recently agreeing to a financial settlement with the Justice Department, reported to be in the hundreds of millions of dollars. In other words, they paid the government not to take the case to court because the evidence was strong enough that they would likely lose the case. It was suggested that HCA had been using various devices to take in more money, so that it could use the money to buy more hospitals and keep growing larger. Perhaps this is how HCA became such a hospital giant so fast—now controlling more medical facilities than any other corporate group in the nation.

But more troubles, related to this business practice, followed soon after.

On October 21, 2005, Hagens Berman Sobol Shapiro filed a nationwide class-action lawsuit by individual patients against Hospital Corporation of America. The suit was filed in Nashville; since that is where the headquarters of HCA is located.

The suit alleged that, since October 2000, HCA has artificially inflated their patient charges, resulting in significantly higher rates than the national average. According to the lawsuit papers, HCA's aggressive pricing strategy consisted of an effect to increase profits by overcharging the patients who did not have Medicare or Medicaid. On the average, those with government or private medical insurance pay 40 to 80 percent less than those without insurance.

The suit seeks to represent individuals who received medical care and/or products from any HCA facility and are uninsured, or those whose insurance did not cover full charges, or those who are self-insured.

—Surely, it is surprising that, only two months later—lacking one day—after that suit was filed, the remnants of Madison Institute were sold by our people to HCA on December 20, 2005; so it could, purportedly, raise rates and overchange the customers!

It is of interest that HCA has also been in recent news reports about the fact that Senate majority leader, Bill Frist (R-TN) and the Senate's only physician, has ties to the medical-care industry, both personal and financial. *Frist's father and brother founded HCA, the nation's largest for-profit hospital chain.*

Frist has relied heavily on the medical care and pharmaceutical industries for his fund-raising. His fund-raising helped the National Republican Senatorial Committee (NRSC) raise more that $58 million in regulated "hard" money for the benefit of GOP candidates during the 2001-2002 election cycle.

Frist alone raised $232,000, which was given to Republican candidates through his Volunteer PAC. His close connections with HCA and the massive medical industry made him a very influential person in the U.S. Congress.

You will recall that we have written about *Thimerosal,* the mercury preservative in children's vaccines which has repeatedly been said to cause autism. It was discovered that the bill creating the Homeland Security Department contained a mysterious provision protecting the makers of some vaccine additives, including drug giant Eli Lilly, from liability for harm their products may cause.

If that provision was included when the bill was approved, no one can sue Eli Lilly when their child becomes autistic, due to the mercury which has entered its brain.

Lilly, the top donor among pharmaceutical manufacturers, gave $1.6 million in individual, PAC, and soft money contribution in the 2001-2002 election cycle, with 79 percent of it going to Republicans.

According to other medical research reports, medical care in the United States is the most expensive in the world; yet it ranks 37th (below Third World countries) in quality. *—vf*