

Is For-Profit Hospice Care Bad?
An Open Letter from the CEO of Saint Jude Hospice

Dear Residents of South Central Wisconsin,

I brought Saint Jude Hospice Care to Madison in 2010 because I saw a need, as well as an opportunity to carry out my personal and lifelong mission of service while contributing to the local tax base and providing badly needed jobs.

While we have been embraced by many, we have also endured less than flattering comments by a non-profit hospice provider intent on preserving its prior position as the only provider in town. They've used the "for-profit" label against us to actively prohibit our ability to do business, even though over 58% of hospices in the United States are for-profit. For two years we have turned the other cheek away from insinuating newspaper articles, letters to our fellow neighbors in business and even an unfounded (and dismissed) lawsuit. Up until this point, we've never said a word publicly about this campaign. A recent guest column by a member of their board of directors in the *Wisconsin State Journal*, attacking us has prompted us to feel it is finally time to set the record straight. You the consumer are the ones suffering the fallout from not having alternative choice. Enough is enough.

Dane County has been superbly served by this non-profit hospice provider. They provide an excellent standard of care and we have nothing but respect for their organization. We are grateful for the education they've given and the pathway they have pioneered. We simply believe that patients deserve a choice, and that we, too, provide excellent care. Our missions are different, but we have the same goal—regardless of tax status—and that is to serve people with a terminal illness to the best of our ability.

Yes, we are for-profit. A for-profit tax status does not mean we take in money hand-over fist while our non-profit competitor suffers in servitude. First of all, each of us receives the exact same amount from Medicare and Medicaid to provide our hospice services. Secondly, non-profits are required to file an annual 990 form with the IRS, available for viewing at Guidestar.com. Madison's non-profit hospice made just under \$2.5 million in 2011 but moved over \$2 million to their holdings company so the retained profit did not look as big. Their holding company now has net assets of more than \$40 million and the hospice company itself has net assets over \$6.7 million. Their executives are some of the highest paid in the city, with their CEO earning over \$486,000 in total compensation in 2011, higher than most of the executives at the three major hospitals.

Our for-profit status allows us to provide jobs and contribute to the regional economy in a time when it couldn't possibly be needed more. The number of jobs we can provide the area community is directly related to our patient census ratios. The more patients we have, the more people we hire. The longer they try to prevent us from succeeding in this market, the more the people of Wisconsin are hurt in the loss of jobs, tax revenue and most importantly, choice.

Madison's non-profit hospice provider's foundation raised over \$4 million in 2011 and had net assets of over \$41 million. They rely on the community for funding, while we give back to the community. Our for-profit status allowed us to contribute over \$100,000 last year to local charities including the Alzheimer's and Dementia Alliance, UW Carbone Cancer Center, Domestic Abuse Intervention Services, St. Paul's Catholic Campus Center and Catholic Charities.

Our for-profit status allows us to retain control of the company we created in 2008, as opposed to being beholden to a board of directors that could eliminate the Catholic mission that serves as the lifeblood of our structure. Our for-profit status assures that every one of our offices is following the ethical and religious directives for Catholic Healthcare. We have made a big investment to ensure that this option in hospice care is available to people in the region. We now serve 22 counties in South Central Wisconsin.

Less than flattering comments have surfaced about our for profit structure and leadership alluding to greed. A letter was sent to members of the chamber of commerce and area medical professionals alluding to Saint Jude Hospice's commitment to staying in the community. It went on to share a very inflated number regarding my personal finances trying to mischaracterize my intentions. This misrepresentation of me and Saint Jude Hospice is unfounded and unneeded. We are serving the healthcare needs of our brothers and sisters in Wisconsin and should all be working together, not trying to keep a monopoly. Our passion is to provide an alternative choice during the most difficult time of need a family goes through. We believe our experience and professionalism has merit and are proud to serve the area. Leading Saint Jude Hospice is my personal calling and I am proud to have founded it in the teachings of Jesus Christ.

Our bottom line at Saint Jude Hospice is not about money, it is about Jesus Christ and always will be.

I hope that you will receive this message with the intention in which it is given; in Christian love and faith, with a true desire to serve you and a heartfelt request to our worthy fellow hospice care providers that they allow us to serve you. This non-profit versus for-profit hospice fight needs to stop, because the only people that lose are the good people of Wisconsin.

In Christ,

Tom Moreland
CEO of Saint Jude Hospice Care



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Love another as I have loved you - John 13:34