

RMC to be sold for \$90 million

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CONYERS — Facing a certainty that the hospital would fail on its bond payments this year, officials of the Rockdale Medical Center agreed to sell the 53-year-old public hospital to Texas-based Signature Hospital Corporation for \$90 million.

In a meeting Tuesday night, the Rockdale County Hospital Authority voted to enter into a “non-binding asset purchase agreement” with Signature, which will put up a goodwill deposit of \$1 million into hospital coffers. The sale is not final until it has the blessing of Georgia Attorney General Thurbert Baker, per state laws concerning selling public property to private companies. Both governing bodies of the hospital — the Rockdale Medical Center Board of Directors and the hospital authority — approved several resolutions Tuesday to complete the sale. The hospital authority voted to terminate the county’s lease agreement with the nonprofit Rockdale Medical Center Inc. following the process to sell all assets to Signature and pay off all debt with the proceeds of the sale. The RMC Board of Directors voted to terminate its management contract with Brim Healthcare, perhaps one of its final acts.

Both boards voted unanimously in the resolutions to sell the hospital.

Tuesday’s vote followed what was described as the “competitive bidding process” of several private firms that showed interest in the 138-bed facility. Much of the proceedings were done behind closed doors in executive session. Some board and authority members justified the executive sessions as a means of avoiding the disclosure of the financial information of the hospital’s suitors as negotiations progressed.

Everyone at the meeting expressed relief at the outcome. Though management practices have improved, RMC has

struggled to keep up with its construction bond debt, which totals \$87.9 million.

“This hospital cannot sustain by not reinvesting money and putting more equipment into it. It will become stagnant and it will die,” said Hospital Authority member Terry Taschwer as he voted for the sale. “By going with a partner, we achieve that for the hospital and for the community.”

Signature is a privately held company that owns four hospitals in Pampa, Texas; Wharton, Texas; Hope, Ark.; and Parkersburg, W.Va.

Along with the purchase price, Signature agreed to invest \$32 million in the hospital over the next five years in capital expenditures.

Signature also agreed to establish a community health care fund and contribute \$4 million over the next 10 years to fund community healthcare projects.