



# Tri-City lashes out at Scripps in lawsuit



## Hospital's action called 'desperate'

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### OVERVIEW

**Background:** Tri-City Medical Center in Oceanside has been in turmoil since Dec. 18, when a majority of its health district board abruptly voted for major leadership changes at the hospital and made other divisive moves.

**What's new:** The board yesterday sued Scripps Health over allegedly unfair business practices, while the county grand jury released a report urging the board to explore new ways of governance.

**The future:** The chairwoman of Tri-City's board said an independent review of the hospital is unlikely.

OCEANSIDE — In a move that promises to inflame an already bitter rivalry, Tri-City Healthcare District sued Scripps Health yesterday, saying that some North County doctors affiliated with Scripps are preventing their patients from seeking treatment at the district's Oceanside hospital.

The suit targets the 64 Sharp Mission Park physicians who became part of the Scripps Coastal Medical Group in October.

Before the merger, Sharp Mission Park's doctors had directed most of their 60,000 patients to Tri-City Medical Center. Since then, those physicians have been sending patients to Scripps Memorial Hospital-Encinitas and referring them to Scripps specialists.

The lawsuit was filed yesterday in Vista Superior Court, the same day that the San Diego County grand jury called on the board overseeing Tri-City Medical Center to conduct an independent review of the troubled hospital's governance structure. It also urged the board to consider new ways of managing the facility.

In its lawsuit, the Tri-City board alleges that former Sharp Mission Park doctors are putting patients at risk by forcing them to travel as much as 30 miles to the Encinitas hospital for nonemergency care and even farther when Scripps Memorial doesn't have room for new patients.

“Our issue here is what we view to be danger imposed on patients who normally would have access to

Tri-City . . . and pay taxes for the right to use Tri-City,” said Larry Anderson, CEO of the Oceanside hospital.

Scripps officials called the suit “desperate” and “frivolous.” They said Scripps physicians and patients are free to choose the most appropriate place to receive treatment.

“I feel very comfortable with what we have been doing,” said Dr. Brent Eastman, chief medical officer for Scripps Health, which operates five hospitals in the county.

“We do encourage specialists to use Scripps facilities because we believe we have very high continuity of care and quality of care. We never require (use of those facilities) if the physician believes a different location is in the best interest of the patient.”

Tri-City's lawsuit also alleges that the former Sharp doctors benefit financially from referring patients to Scripps specialists by sharing in the profits generated by those cases.

Meanwhile, the grand jury report came a week after disgruntled physicians at Tri-City asked their health district's board to study the way the hospital is governed and perhaps seek another health care operator to run it. The board voted 4-3 to reject the proposal.

Because board members had previewed the grand jury's report before casting that vote, they are unlikely to reverse their position, said Dr. Madeline Rodriguez, the panel's chairwoman. Rodriguez was on the losing side of the vote.

“What will bring this (issue) back to life is how the hospital performs in the next six months to a year,” Rodriguez said. “If it continues to improve, then maybe it will be a moot point. But if not, it will be back.”

A review of the hospital's governance could consider alternatives such as merging the district with the neighboring Palomar Pomerado Health district, turning over hospital operations to an outside party or selling the facility.

The investigation was triggered by a complaint about Tri-City's special board meeting Dec. 18. Yesterday's report didn't identify the person who made the complaint.

In closed session during that meeting, a newly elected four-member majority of the board placed the hospital's CEO and eight other senior executives on administrative leave, hired new lawyers and launched a vaguely defined investigation into hospital finances and employee relations.

The board has since agreed to a severance package for the ousted CEO worth as much as \$1 million, and it has fired the other executives put on leave.

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