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actively resisted the creation of a holding^{company} which would have fiscal control over Winsted Memorial Hospital. The medical staff also had grave reservations about the idea and voiced this opinion.

The opportunity for beneficial community discourse was there for the taking, to discuss normative, strategic and operational questions. What ought to be done? What can be done? What will be done? However, secrecy with holding information from the public, and a mentality of "we against them" prevented civil discourse. An old feeling surfaced in the community that no matter what information is brought to bear, as with the decision to create a holding company, wherein the composition of its board would subordinate Winsted Memorial Hospital to Charlotte Hungerford, 40 per cent Winsted, 60 per cent Hungerford. The community and its hospital leadership were at a standstill.

Although there was no agreement, the Board of Directors of Winsted's Hospital along with Hungerford's took the legal steps effective January 1986, which created the Northwest Connecticut Healthcare Systems, Inc. The power over and destiny of Winsted Memorial Hospital were now in the hands of this new entity. A sense of disquiet pervaded the community, unresolved, as far as the service community was concerned, the issue faded from the front pages of The Register Citizen, even the back pages, until 1989.

The Holding Company in Action. In early 1988 the Holding Company's Board of Directors appointed Dennis K. Moriarty, chief executive officer of the company. By 1989, elements of his direction became clear, either a merger of Winsted's and Torrington's hospital at Hungerford which is the larger of the two, or an entirely new facility to be built at some location between the two towns. What would happen to Winsted Memorial Hospital as a full-care facility? Rumors abounded; it would serve alcohol and drug rehabilitation, it would be a nursing home, it would be a place for the terminally ill.

The community again expressed deep concern for its hospital. Again, articles appeared in the papers which raised more questions than provided answers. So great was the sense of potential loss of this long-standing institution that the Board of Selectmen of the Town of Winchester requested a special briefing by the hospital leadership. Mr. Moriarty made the presentation on the evening of 28 November 1989, and responded to questions from an aroused citizenry. Again, more questions were raised than light shed on the subject. This session was covered by the Mad River TV and played over the local access station.

Later, at the end of December 1989, Mr. Moriarty made a presentation to the Board of Selectmen's Advisory Committee on the Winsted Hospital, an open meeting. In it he referred to numerous consultants' reports which he had commissioned but which were never released even though requested. Thus, it was never possible for the Committee or anyone else on the outside to assess the information in these reports.

As the Committee proceeded with its work and as it raised questions and received only equivocating answers, fissures began to surface between members of the Holding Company Board who favored a supportive

role for the company to coordinate functions such as billing and purchasing between the two hospitals and those members who favored the "bigger is better" philosophy and a major role for setting directions and strategies. The drive to merge or build a new hospital could close Winsted Memorial Hospital as an acute care facility. As the public became more involved through public meetings and the Committee's work, questions regarding the advisability of a major role which would change the organization of health care for the area surfaced more readily and more visibly.

Nonetheless, despite obvious and growing turmoil among the Holding Company Board members, Moriarty signed an agreement ^{on 28 February 1990} with the State of Connecticut's Commission of Hospitals and Health Care which transferred the decisive power to dissolve the Holding Company to the Commission. Thus, power became located even further away from the community.

The events of the first three months of 1990 sent confusing signals to the Winsted Memorial Hospital's community. Paul Graff, the Hospital's president for about a decade, was transferred to Hungerford and became its president; Winsted Memorial got a new president, Hungerford's vice-president, Michael Baxa. Within a few short weeks of the February 28th agreement, Graff had been fired, Moriarty and John Boothe, chairman of the Holding Company Board, had resigned. The unravelling of the Holding Company to skeleton proportions continued at a rapid pace.

Those in the community and corporators who had questioned and objected to the creation of a holding company could hardly savor a quiet satisfaction. Too much damage had been done to hospital-community relations, too much money lost through the unwise use of consultants, the long-term rental of expensive and extensive office

space for corporate offices, billing and data processing, and a generous contract with Mariarty.

The facts at the present time regarding the legal structure affecting the Winsted Memorial Hospital are as follows:

- the Holding Company is still legally intact; it has a Board of Directors which rarely meets but the Company has the legal right to approve the budgets of both hospitals;
- The Connecticut Commission on Hospitals and Health Care is still in control of the Holding Company;
- If in the future there is interest in merging the two hospitals the machinery is in place to do it; the Holding Company can be revived at any time;
- There is no movement on the part of either hospital to dissolve the Holding Company.

The Winsted Memorial Hospital Advisory Committee

Against the backdrop of the 1985 adverse public reaction to the Holding Company proposal, the response of the community in 1989 to the possibility of closing or merging Winsted Memorial Hospital came quickly. Its concern had enough urgency that the Board of Selectmen requested a public briefing by hospital officials at the end of November, as already mentioned. Then came the Selectmen's resolution creating the Committee in order to provide a continuing mechanism through which to assess the dynamic situation and attempt to influence it in favor of maintaining the hospital in Winsted.

The Committee provided a formal place where matters of concern to the community could be discussed. Outside the Committee structure citizens were expressing their desire to participate in the life of their community hospital, through letters to the editor, through contacting members of the Winsted Hospital Board of Directors, through

a widely-circulated petition which over 350 persons signed, indicating a willingness to work for keeping the hospital viable and in Winsted. More recently, this group, Friends of Winsted Memorial Hospital, through its initiator Alan DiCara urged in a letter that there be direct community involvement in the long-range strategic planning process of the hospital.

The Work of the Committee. The work of the Committee was organized in three sub-committees; one on publicizing the hospital; one on recruitment of needed physicians; and one devoted to information gathering and research. These subjects reflect some of the major problems which the Hospital must solve, namely;

(a) to introduce the Hospital's services and capabilities to its service area, bringing it up-to-date for those who have not used the Hospital in recent times and those who have tended to use other medical facilities either because they are part of an HMO connected with other hospitals or because they think the hospital is not modern enough. The Winsted Memorial Hospital has a fully board certified staff, modern equipment and can easily take care of 85 to 90% of people's ailments;

(b) to recruit an adequate complement of physicians to replace those who have retired or died and to insure that the number and specialties are sufficient for care of a growing population; and

(c) to make sure the community understands the financial requirements, the rules of the State's regulatory commission, the capital plant needs, now and later - in short, the climate and structures within which the Hospital has to operate. In addition, the Hospital Board of Directors and administration need to listen to what the user community has to say in response. Such a two-way conversation can create common understandings and an environment which is