

PRESS RELEASE

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BAYSIDE FAMILY HEALTHCARE

MERGES WITH

NORTHWEST COMMUNITY HEALTH CARE

Bayside Family Health Care, a North Kingstown, Rhode Island-based non-profit community health center, announced that, effective July 1, 2008, it has merged with Northwest Community Health Care, the Pascoag-based non-profit community health center that has provided services to northwestern Rhode Islanders for nearly 100 years.

The merger, which was announced on September 15, 2008 at Bayside's facility in North Kingstown, was described by officials as a "win win" for both agencies and most importantly, for Bayside patients.

"The merger between Northwest and Bayside will serve to strengthen both community centers and allow us to fulfill our important mission of increasing access to quality health care for families across the state," said Peter Bancroft, president and CEO of Northwest Community Health Care. "The transition has been seamless at Bayside and the center's presence in the community and the quality programs and services it provides will remain consistent." As part of the affiliation, Bayside will maintain operations under the same name and continue to serve North Kingstown and its surrounding communities as it has since 1977.

State officials hailed the new partnership, saying it will create a "bigger, stronger and better community health care center." Attending the announcement were state and local officials, including Lt. Gov. Elizabeth Roberts. "The merging of Bayside and Northwest is great news for health care in Rhode Island," Roberts said. "Two vitally important, community-based primary and dental care providers are joining forces to become an even more powerful force for good health in the communities they serve. Now, more Rhode Islanders will have access to high-quality, affordable, preventive care, close to home."

With low reimbursement rates, a large number of uninsured patients and high levels of uncompensated care, Bayside officials found themselves facing financial difficulties in 2007. These issues have forced many centers operating in the red to look for new opportunities to provide a foundation on which they may secure their services and continue caring for their patients.

"As is the case with many health care facilities dealing with high levels of uncompensated care and low reimbursement rates, Bayside was in a position where we felt it appropriate and necessary to find new ways to secure the delivery of quality health care to patients," said Chuck Rice, former Bayside board member and now a member of the Northwest board governing Bayside. "Our proactive approach reaped us great rewards and we were able to partner with Northwest Community Health Care. Northwest stepped to the plate and today, as a Northwest partner, we are better equipped to provide the quality health care that our patients have come to know and expect."

"Bayside is a high-quality primary and dental care facility and its simple mission of 'patient care first' matches our own," added Bancroft. "We are pleased to welcome Bayside's staff and patients into the Northwest family and we will continue, as we have in the past two months, working side by side to provide first-rate services to our long-time and new patients."

Realizing its need for assistance to continue operations smoothly, Bayside engaged Northwest in July 2007 to provide administrative consulting services. After a period of due diligence, Bayside identified Northwest as a strong partner and a management services agreement was executed in November 2007. Under the terms of this agreement, all administrative, financial and operational management became the responsibility of Northwest. All assets and liabilities were acquired by Northwest as well.

In February 2008, all applications were filed with Rhode Island Department of Health and the Office of Attorney General to gain appropriate state approvals to move forward with the merger. Regulatory approval was granted in June 2008 and Bayside finalized the merger with the nearly 100-year-old Northwest on July 1.

As the surviving corporation in the merger, Northwest retained all 15 of its seats on the board of directors and added five Bayside board members to its slate.

Although there will be no changes in the health care delivery at Bayside, interior renovations and technology upgrades have been completed and a newly paved parking lot and other physical improvements are on the agenda. As a result of the merger, staff and patients will also witness the implementation of a new electronic health records (EHR) system to better track patient records, upgraded phone systems to provide installation in the dental area and an increase in administrative and clinical staff. Many of these improvements have been made possible by various grants and a low interest loan from Rhode Island Health and Educational Building Corporation (RIHEBC) requested by Northwest.

Northwest Community Health Care, established in 1909 and the oldest non-profit community health center in the state, provides services to the towns of Burrillville, Foster, Glocester, Scituate, Smithfield, and the neighboring communities in Massachusetts and Connecticut. Northwest delivers primary care and dental services to these area residents and has set its mission to deliver high quality health care to patients across the region. The Bayside merger adds approximately 2,700 patients in the town of North Kingstown and neighboring East Greenwich, Exeter and West Greenwich, allowing Northwest to provide health care to a broader patient base across Rhode Island.

In addition to urgent care and walk-in services, Bayside provides comprehensive primary care for the entire family and a full range of dental services, including oral exams, cleanings and restorative care, in their state-of-the-art facility. Health care providers on staff also specialize in gynecological care and behavioral health care. Bayside is a nonprofit community health center that provides services to all patients who seek treatment regardless of their ability to pay.

Additional information regarding Bayside can be found at www.baysidehealth.org.