

Casey Cagle, Lieutenant Governor

We continue our series on Grady Memorial Hospital with a conversation with Lieutenant Governor Casey Cagle. As president of the State Senate, many of the discussions in the General Assembly about Grady's financial problems will demand his attention, including new governance proposals and the Disproportionate Share Hospital funds—also known as DISH. When we spoke with the Lieutenant Governor we asked him how much of Grady Hospital's financial crisis is the State's fault?

CASEY CAGLE: Well, I, uh, think that's a reasonable question. Of course the state of Georgia recognizes the significance of Grady, but, uh, the truth of the matter is that Grady has a governance structure that does not allow it to ultimately get into profit centers, and those profit centers allow you to hedge against the free care that you're giving.

STEVE GOSS: Well how would Grady expand its ability to attract paying patients then?

CAGLE: Well I think first of all the governance would have to be changed, and that would require a new mechanism by which Grady would perform their business. It doesn't mean that they violate their mission of providing care to those that can't pay, but it says that they get into other areas of specialty that they're currently not in, or are not allowed to be in today.

GOSS: Well the Greater Grady Task Force, set up by the metro Atlanta chamber of commerce, has recommended transforming the governance structure to a 501c3. Are you in favor of that?

CAGLE: I am very much in favor of it. I believe that Grady can compete with Emory. I believe that Grady can compete with any hospital. But I believe with the right type of leadership, with the right board, that we can transform Grady into an entity that all of us will be assured that their financial picture can be taken care of.

GOSS: Many say that the counties whose indigent patients use Grady should contribute funds to Grady—Cobb, Gwinnett, Clayton. How can the state enforce those chargebacks?

CAGLE: It's not the state's role, you know, to enforce a chargeback. The truth of the matter is that much of the DISH money that the state that hospitals get to utilize is to offset that indigent care.

GOSS: It's been pointed out by a number of people that Grady doesn't get its share of the DISH funds. Can you explain how the state might help to reinstate the lost funds?

CAGLE: Well I would say that, um, I don't know the exact number in which Grady is receiving, uh, specific to DISH. I would probably find that argument very hard to believe in that, I think the argument could be made that there's a substantial amount of money that's flowing into Grady.

GOSS: It's been suggested by Otis Story—among others—that, at the end of December of this year, 2007, if more money is not forthcoming, Grady will not be able to meet its payroll in the new year.

CAGLE: I don't think Grady has to choose that option. And it's true, if they continue to do business as they're doing it, with no change, it's clear what the outcome's gonna be. What we're suggesting is that new governance be put in place, a new way of doing business and

operating the entity as a business with the understanding of their mission, which the two can clearly co-exist.

GOSS: Lieutenant Governor, thanks for the time, appreciate it.

CAGLE: Thank you very much, it's a joy to be with you.