

America's rural hospitals are at risk. In fact, 80 rural hospitals in 25 states have closed since 2010. In Maine, 19 of the state's 36 hospitals ended fiscal year 2016 with negative operating margins. On average half of Maine hospitals have reported negative operating margins annually since 2012.

Mayo Regional Hospital is among those who have been challenged by this economic environment. Yet Mayo plays an essential role in improving the health status and economic sustainability of Piscataquis County. We are exceedingly proud to be consistently recognized for the quality of our work, including being named a top hospital by The Leapfrog Group, and earning a state of Maine Safety and Health Award for Public Employers. As the largest employer in the Dover region, with more than 500 employees, Mayo Regional Hospital is essential to the Piscataquis County economy.

Over the past three years the hospital's Board of Trustees has been giving careful thought to the best strategy for assuring Mayo's continuing role in our region. In August of 2016, Mayo completed a two-year strategic planning process where the Board evaluated national, state, and local trends in healthcare and sought and reviewed proposals from potential partners. The two-year process culminated in signing a letter of intent with EMHS, which includes Eastern Maine Medical Center and eight other hospitals, as well as a statewide home healthcare and hospice network and other ancillary healthcare service organizations. Under the non-binding letter of intent the parties agreed to consider opportunities for building on an already strong and collaborative clinical foundation between the two organizations. Since August, representatives of Mayo and EMHS have met regularly to discuss how a closer relationship could work and to identify opportunities for working together in ways that serve our respective needs.

The significant progress we have made in identifying a number of opportunities for furthering our relationship has led us to consummate an Interim Agreement with EMHS. This is an "interim" agreement and does not commit Mayo or EMHS to any particular end result. However, it does acknowledge the potential opportunities for closer collaboration and it provides a legal framework and timeline for Mayo and EMHS to do the necessary work to further define our relationship.

The Board and I believe this is the way to assure Mayo's role as the hub for hospital and related healthcare services in Piscataquis County. EMHS cannot stop the changes that we in healthcare will continue to wrestle with now and in the future, nor is EMHS immune from the industry challenges described above. But we believe EMHS does have the scale, resources, expertise and shared vision to merit working together in shaping Mayo's future.

It is true that the environment for those of us in rural healthcare is challenging and will be for the foreseeable future. However, we remain ready to meet those challenges and to do so as transparently as possible — keeping our employees, patients, donors, and communities apprised of our progress.

Marie Vienneau  
Chief Executive Officer  
Mayo Regional Hospital