

A Detailed History of Virginia Gay Hospital

The history of Virginia Gay Hospital and Clinics is one of caring for the individuals of our communities, and of the communities caring for Virginia Gay Hospital and Clinics. Our hospital was founded with Virginia Gay's generous gift of \$50,000 (equivalent to nearly \$1,000,000 today) which she left to the city of Vinton for the express purpose of starting a hospital.

Virginia Walcutt Gay and her husband, Harvey D. Gay, moved to Vinton from Worthington, Ohio, in 1850. H. D. Gay was in the mercantile business and had extensive holdings in lumber and mining in the western United States. Mr. Gay preceded his wife in death in 1878, leaving Mrs. Gay with considerable wealth. Mrs. Gay died on May 8, 1914, in Columbus, Ohio. In her will Mrs. Gay said;

"I have an affection for Vinton and its people because most of the years of my life were spent in it and among its people. They were my happiest years. For these reasons, I have made this provision for a hospital in Vinton. It shall be known and designated as the Virginia Gay Hospital." ~Virginia Gay



With those few words and her generous actions, thousands of lives were changed forever. Mrs. Gay would be proud to see how her selfless act has been transformed into the comprehensive health care network that the residents of Vinton and much of Benton County and the surrounding area enjoy today. From its humble beginning in 1923, Virginia Gay Hospital has provided quality health care while keeping a watchful eye on current trends and the future of medical care.



On May 22, 1917, Mayor J. F. Allen of Vinton called a group of Vinton residents together for the purpose of establishing a Board of Regents for the Virginia Gay Hospital. Original members of the Board of Regents were Mayor Allen, Dr. C. C. Griffin, J. P. Whitney, T. J. Ray, and W. G. Ellis. The bylaws of the Board of Regents were approved on November 22, 1917.

One of the buildings of the old Tilford Academy was purchased for \$7400. The remodeling of the building cost approximately \$54,000, the elevator was purchased and installed for \$3050, and the equipment was purchased for \$2500 for a total cost of approximately \$67,000. This was a three-story building with a basement and was located in the south part of Vinton.



At the July 5, 1923, Board of Regents meeting, "It was moved, seconded, and approved that public announcement should be made that the hospital was ready to receive a few medical and obstetrical cases. Wards A & B will charge \$2.00 per day, private rooms will cost \$4.00 per day, and a private apartment will cost \$6.00 per day. Mother and baby rates will be \$5.00 per day." Mrs. Margaret Smythe was hired as superintendent at a salary of \$125.00 per month plus maintenance. Things started well, but then took a downturn. At a special meeting on December 19, 1925, the secretary of the Board of Regents was instructed to give to the press a statement that "The

Virginia Gay Memorial Hospital will not receive patients after December 20, 1925, and will close January 2, 1926." This closure was due to the lack of funds to care for patients and maintain the building.

During the year following that decision, the Federation of Women's Clubs of Vinton conducted a subscription campaign in order to raise funds necessary for re-opening the Virginia Gay Memorial Hospital. The goal of \$3000 was surpassed and the clubs donated a total of \$3661.30 to the re-opening of the hospital. In the affidavit signed by Lora A. Leutz, Coral Woodhouse, and Frances H. Miller, it is stated, "We started our campaign with the conviction that a hospital for Vinton was wanted and needed. We close our campaign with the absolute knowledge that the hospital is really wanted by practically everybody within a reasonable distance from our town. The hospital is an actual necessity to the welfare of our community and it should be re-opened with the least possible delay." The hospital was re-opened on September 14, 1927. The superintendent was Miss Gladys Knudson and assistant to the superintendent was Mrs. Nettie Burk.

The hospital did well for the next five years, but like most other businesses and individuals in the United States, it really struggled when the nation's economy took a nosedive in the early 1930's. During the depth of the Great Depression the Hospital Board considered closing the hospital's doors due to lack of funds and outstanding accounts, but they opted instead to economize and keep the hospital operational in the belief that Mrs. Nettie Burk, named hospital Superintendent in February of 1932 after Miss Knudson resigned, would provide the leadership to get the hospital back on its feet. At the July 11, 1932, meeting the Board of Regents discussed the hospital's finances due to the closing of the banks and the loss of funds the hospital sustained. However, the Board decided to keep the hospital open by "using good economy and cutting back wherever possible". The plans worked, the hospital remained open, and in 1947 a house adjacent to the hospital building was purchased as an annex to the hospital for hospital patients who did not need as much acute care or who required more hospitalization while recovering.



With those few words and her generous actions, thousands of lives were changed forever. Mrs. Gay would be proud to see how her selfless act has been transformed into the comprehensive health care network that the residents of Vinton and much of Benton County and the surrounding area enjoy today. From its humble beginning in 1923, Virginia Gay Hospital has provided quality health care while keeping a watchful eye on current trends and the future of medical care.

In fact, things were going so well that in late 1946 and early 1947, discussion was held about the possibility of constructing a new hospital building. These plans were approved and the architectural firm of

Wetherell and Harrison of Des Moines was retained in May of 1948. Several locations for the hospital were discussed, and in 1948 the present site of the hospital was purchased from Jerry and Floss Carrier for \$5000. A fundraising campaign was held to raise funds for the new hospital. Board members at this time were Dr. G. R. Woodhouse, Lida Hall, Dr. L. W. Koontz, J. H. Milroy, Dr. E. V. Lovett, Dr. T. L. Chadbourne, and Mayor Gordon. Bids were received for the construction of the building on May 16, 1950. Pledges were solicited from community members for the new hospital building. Work was begun in early fall of 1950. Open house for the new facility was held on December 2, 1951, and patients were moved and admitted on the first of January of 1952. Additional land to the north of the hospital site was purchased for future use at a cost of \$5000. The cost of the new building, plus equipment, was \$384,323.84. The old hospital building was sold to the Lutheran Home for the Aged for a nursing home

at a special meeting on October 17, 1951. The Lutheran Home used the building until 1977 when they purchased land and moved in to a new facility across the street to the south.



Mrs. Nettie Burk retired as hospital administrator in April of 1956. She had served for 16 years and 5 months in this position. George Garwood was appointed Virginia Gay Hospital administrator April 15, 1956, and served in that capacity until his retirement in 1982. During Mr. Garwood's tenure as hospital administrator many improvements and changes were made. Much of the funding for these capital improvements were the result of Mr. Garwood's fundraising efforts.

His efforts preceded the establishment of the Virginia Gay Hospital Health Care Foundation, which was incorporated in 1991, and helped people realize the need for effective, ongoing fundraising to support the hospital and clinics and the level of health care that they provided. The mission statement of the Foundation says it exists for "the continuation of health and medical care to people of the Virginia Gay Hospital service area. Our concern for humanity is demonstrated by a commitment to obtain and distribute funds through the Virginia Gay Hospital Health Care Foundation that will



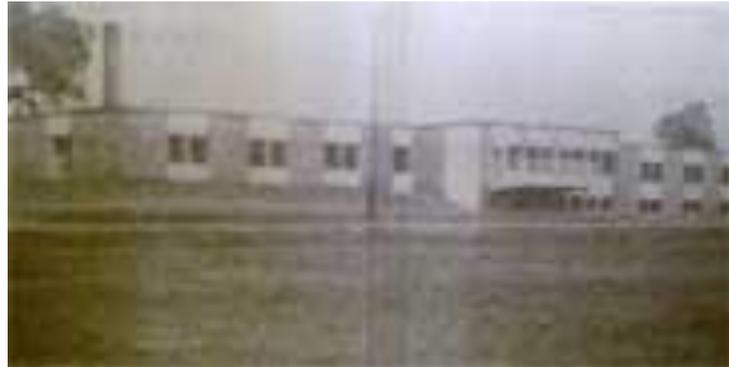
promote, maintain and restore the health of the individuals it serves. The Foundation acquires and administers charitable gifts for the benefit of Virginia Gay Hospital & Clinics. It is governed by a Board of Directors. The Foundation uses the funds it raises and receives to purchase state-of-the-art equipment, enhance facilities, and develop special programs to help VGH and Clinics remain in the forefront of medical care. The goal of the Foundation is to help bring an ever-increasing quality of health care to our communities. Virginia Gay Hospital is recognized by the Internal Revenue Service as a 501(c)(3) non-profit organization". The first Foundation chairman was local attorney, Mr. Keith Mossman. He served as chair from the time it was established until his passing in the summer of 2010. Mrs. La Teresa Music was the Director of the Foundation from its beginning until the summer of 2010. The Foundation led the capital campaigns of 1994 and 2008 as well as being involved in many other fundraising activities which have raised millions of dollars for the benefit of the hospital and clinics.



In 1960 plans were formulated to build a long-term care facility adjoining the present hospital to the south. Kenneth Feller and Karl Fischer Sr. were appointed to co-chair the fund drive for the long-term care facility. At a special meeting on June 6, 1961, the motion was approved for a construction fund of \$483,000 for the construction of this facility, \$161,000 of which would be Hill-Burton funds from the federal government. Work was begun on the long-term care facility in 1961.

This facility was opened on September 2, 1962. In addition to the Hill-Burton funds, \$100,000 of the Dr. C. C. Griffin Trust was designated to be used for this construction. Funds were donated from various other trusts willed to the hospital, \$152,800 was loaned to the hospital from 103 Vinton community people, and gifts of \$13,107 were received.

In February of 1965, it was felt the Board room should be converted into an area for the care of five geriatric patients. In April of 1965, twelve patients were housed in the room then used for occupational therapy. Patients were moved out of the basement in December of 1967. Discussion began in December of 1967 regarding an addition to the long-term care facility.



This addition was proposed to be added to the west wing of the facility and would include the addition of ten beds. This addition was approved and the \$75,000 addition was opened in August of 1969.

In 1973 discussion was held by the Board of Regents about building a "clinic" building for the physicians adjacent to the hospital. At the September 5, 1973, meeting, following a discussion with the architects and physicians, it was moved, seconded, and approved that "the hospital proceed with the building of the clinic". This building was erected at a cost of \$274,421 with funds from the Herger Trust. The building was dedicated on September 15th, 1974. Board members at this time were Burton Davis, W. G. Blanchard, Dr. D. C. Weideman, Jack Milroy, Dr. G. A. Fry, Keith Elwick, and Mayor Winston Watson. The first doctors who established the clinic were Dr. G. A. Fry, who came to Vinton in 1945, Dr. D. C. Weideman, who came to Vinton in 1956, and Dr. Sherman Anthony, who came to Vinton in 1962. Dr. Yang Ahn joined the group as a surgeon and general practitioner on July 1, 1973.

In October of 1975 the Board met to discuss the financing and construction of an addition to the hospital. In November of 1975, the Board approved "that the hospital raise one million dollars for the new addition". The Board then approved entering into a memo of agreement with the City Council to obtain city revenue bonds in the amount of one million dollars. This addition included a special nursing unit as well as a new nurse's station. An additional 29 beds were made available for acute care nursing as a result of this addition. New kitchen facilities and a materials storage area were also added. The addition was made possible by the bequest of the Rodgers Trust for \$400,000 and \$480,000 was donated by area residents. Board members during the planning and construction of this addition were Dr. D. C. Weideman, Keith Elwick, Galen Grote, Dick Davis, Dr. G. A. Fry, L. A. Blanchard, Mayor Winston Watson and Mayor Gerald Pederson.

George Garwood retired as administrator in 1982, and at this time the hospital Board chose to enter into a management contract with St. Luke's Hospital in Cedar Rapids. Robert E. Wessman was appointed administrator in December of 1982 and he served in this capacity until July, 1985. At that time Mark Hearn was appointed as administrator and served as such until June of 1992.



The financial condition of the hospital in 1982 was strong, and during the time that St. Luke's managed the facility additions and improvements included a new radiology suite and emergency/trauma area funded by the John Grovert Trust. All asbestos was removed from the facility, a new nurse call system was installed, a new fire and smoke alarm system was installed, the laboratory was completely remodeled and relocated, offices were relocated and remodeled, and the maintenance shop was moved and remodeled. Offices for the Benton County Public Health Nurses and the Area Substance Abuse Counselors were remodeled and leased to those entities. The site was re-landscaped and the parking areas were blacktopped.

The financial condition of the hospital in 1982 was strong, and during the time that St. Luke's managed the facility additions and improvements included a new radiology suite and emergency/trauma area funded by the John Grovert Trust. All asbestos was removed from the facility, a new nurse call system was installed, a new fire and smoke alarm system was installed, the laboratory was completely remodeled and relocated, offices were relocated and remodeled, and the maintenance shop was moved and remodeled. Offices for the Benton County Public Health Nurses and the Area Substance Abuse Counselors were remodeled and leased to those entities. The site was re-landscaped and the parking areas were blacktopped.

In June of 1992, the Board terminated the administration and support services contract with St. Luke's and appointed Michael Riege to the position of CEO of Virginia Gay Hospital. The reason for this was to end the split allegiance a St. Lukes's employee would have and to ensure that the new administrator would be fully committed to the success of Virginia Gay Hospital & Clinics.

When Mr. Riege assumed the leadership of the hospital the prognosis for the facility was anything but positive. The hospital was drowning in red ink, losing more than \$2.5 million dollars over the previous ten years. The Virginia Gay Hospital Health Care Foundation, which had been established to support the mission of the Hospital, had been drained of all of its assets just to keep the doors open. The decision was made to become independent of any ties to other facilities and mount a final attempt to make Virginia Gay a viable health care institution. Much like Nettie Burk back in 1932, our current Administrator, Mike Riege, has managed through times good and bad, and has not only kept the hospital open, but helped it thrive.



An aggressive, progressive plan for success was put in place. In June of 1994 the VGH Health Care Foundation launched the "Investment in our Future" fundraising campaign. \$1.2 million dollars was raised in six months. The money was used to expand and completely remodel the Annex (Nursing and Rehab) and funded the replacement of the hospital's boilers and chillers. Services added at that time included mobile mammography, ultrasound, CT scanner, echocardiology, vascular Doppler, EKG, bone density analysis, cardiopulmonary rehabilitation, and kidney dialysis. Surgical services included general surgery, laproscopic surgery, orthopedic surgery, ear, nose, and throat surgery, foot surgery, and endoscopy. The hospital brought 12 specialty clinics to Vinton monthly which were staffed by over 50 physicians from Cedar Rapids, Waterloo, and the University of Iowa. Hospital Board members were Francis Beggs, Katherine Ervin, Dr. S. L. Anthony, Warren Gulick, Dan O' Brien, John Ketchen, Dr. Joe Monahan, Lynn Fraker and Mayor John Watson. The Foundation Board consisted of Keith Mossman, John Ketchen, Dan O' Brien, Dr. S. L.

Anthony, Bernice Gulick, Dick Kerdus, Dorothy Albert, Phyllis Simnacher, W.G. Lohr, Rita Barron, Jack Milroy, John Yundt and Harold Merchant.

Also in 1994, Virginia Gay Hospital merged with Benton County Public Health to form the Virginia Gay Hospital Home Health Agency. In 1996, the hospital expanded services again and began construction of Cedar View, a retirement community built on the land just north of the hospital. The Cedar View project was completed in 2001 and consists of six buildings, three duplex condominiums and three fourplex units for a total of 18 homes. Cedar View provides all the amenities that independent, retired people find appealing including lawn care, snow removal and proximity to the hospital in case they need its services.



In 1996 Virginia Gay Hospital purchased two family medical practice clinics in Vinton which have since merged into one. In 1997 the Van Horne medical clinic was added, and it was expanded to nearly twice its original size in 1999. In yet another demonstration of community support, the Elwick family and Kvastad Farms donated land for the construction of a clinic in Urbana. On June 20, 2002, the Urbana Family Medical Clinic was dedicated. The fourth clinic to join the Virginia Gay Hospital & Clinics network was opened in Atkins in August of 2012. Open House was held on August 17th and the clinic opened for business on Monday, August 20th.

In December of 1999, VGH began a \$1.5 million dollar project which added 4000 square feet of floor space to the hospital. The outpatient waiting room and reception area were expanded and another surgery suite was added. The entrance/lobby area was also remodeled into its current configuration. As Mr. Riege told the Cedar Rapids Gazette during this project, "the community has rallied around the hospital, and that's really the key to our future".



In 2004 a \$2.5 million dollar expansion project was completed on the flagship of the (at that time) 3 clinics, the Vinton Family Medical Clinic. The expansion included increased patient file storage, an enlarged lab and business office area, a larger, more comfortable waiting area, and more efficient usage of the examination area.



In 2006 a complete renovation of the hospital, to include new private rooms, new and expanded therapy area, new emergency room, total remodeling of the ambulatory surgery and acute care area, and a new imaging suite including the hospital's first MRI and full-time Ultrasound services was proposed to the Board. They approved and the Commitment to Caring capital fundraising campaign was launched by the Foundation. The community is so firmly behind the hospital and clinics and its leadership that over 25% (\$2.2 million dollars) was donated by the people of the community. This project was complete in the summer of 2010 and in essence gave the community of Vinton a brand new hospital for less than 1/3 the cost of a new one. Members of the Hospital Board at this time were

Chairman Mark Mossman, John Ketchen, Dave Vermedahl, John Yundt, Therese Foth, Dr. Brian Meeker, Dr. Mark Dearden, James Hodgson, and Mayor John Watson. The Foundation Board members were Chairman Don Eells, James Hodgson, Ann Harrison, Dr. Michelle Elgin, Dr. Mark Dearden, Ken Stark, Brooks Burkhart, Janet Sanders, Don Logan, Dick Kerdus, Ted Mann, and John Anderson.