# THE HISTORY OF THE HOSPITALS IN CAMERON, TEXAS, AND

### HOW THE HOSPITAL COMPLEX BECAME THE NEW MILAM COUNTY GOVERNMENT CENTER

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Prepared for Milam County Judge Steve Young and the Milam County Commissioners Court Author – Curtis Chubb, Ph.D., Milam County, Texas In 2022, the old hospital building in north Cameron will be back in service to Milam County citizens after three years of standing empty. The following paragraphs are focused on the history of this building, five people who made the transformation of the hospital possible, and how the old hospital building came to be the new Milam County Government Center.

The history of Milam County hospitals starts in 1896 when Dr. Edward Nesbit Shaw, Sr., opened the 'Milam Hospital' on the northeast corner of present-day North Houston and US 77 in Cameron. At that time, Milam County had 75 doctors living in 20 towns and making house calls. The only hospital, the Milam Hospital, had a capacity of ten patients.

After Dr. Shaw died in 1909, Dr. John M. F. Gill took over the Milam Hospital and renamed it 'Cameron Sanitarium.' (<u>NOTE: Sanitariums were early versions of hospitals</u>.) In 1914, a more advanced hospital opened in Cameron as discussed below and the Cameron Sanitarium closed.

#### THE FIRST BUILDING ON THIS PROPERTY WAS THE 1913 CAMERON HOSPITAL

This brings us to the first of five people who played critical roles in the hospital's story: <u>William Rowland</u> <u>Newton, Sr.</u> Dr. Newton was born 1 September 1873 in Prairie Township, Boone County, Arkansas, and received his medical degree in 1899 from Memphis Hospital Medical College. After practicing medicine near Hallas, Arkansas, for one year, he and his first wife Martha Ella Whitesides moved to Buckholts in April 1901. In 1903, Dr. Newton founded the one-story frame 'Newton Sanitarium' on Block 57 in south Buckholts. It was destroyed by fire 10 October 1912.

To further his surgery knowledge, Dr. Newton enrolled in advanced medical training courses at the New York Polyclinic medical school in 1904 and the Chicago Polyclinic medical school in 1911. During his studies in Chicago, he met the second of five people who played critical roles in the hospital's story: <u>Eduard Rischar.</u>



Dr. William R. Newton, Sr. (Photo dated 1932)

Dr. Rischar was born 30 May 1872 in Mittelbexbach, Germany, and immigrated to America in 1882 with his family and settled in Quincy, IL. He graduated from Keokuk Medical College, College of Physicians and Surgeons (Keokuk, IA) in 1900 and then interned at the Chicago Polyclinic Postgraduate School of Medicine and Surgery where he remained as an Assistant in Clinics and Surgery and Instructor of Operative Surgery until moving to Cameron in 1914.

Newspapers had reported that Dr. Newton wanted to build a hospital in a larger town and on 26 July 1912 he purchased the Arlington Hotel in Marlin and announced that he and Dr. Rischar would remodel the hotel into a hospital. One month later, Dr. Newton met with the "Marlin Commercial Club" who voiced strong objections to his plans. After that meeting, Dr. Newton announced that the hotel would not be converted into a hospital; he started trying to sell the hotel in April 1913 and completed the sale on 1 May 1914.

Five months after cancelling his Arlington Hotel plans, Dr. Newton paid \$5,750 to purchase 11.5 acres in north Cameron that was partly owned by the estate of John M. Hefley, the first president of First National Bank (now Classic Bank). Dr. Newton announced that he planned to build a sanitarium on the property and that Cameron citizens (not the City of Cameron) had agreed to help pay half the cost.

Dr. Newton awarded the contract to build the sanitarium to Mr. A. Z. Rogers of Henrietta, TX, on 15 May 1913. Rogers, a well-known builder, also constructed County Courthouses for Lynn, Montague, and Taylor Counties. The sanitarium was completed by 1 November 1913.

The opening reception for the 3-story "<u>New</u> Cameron Sanitarium" was held 5 January 1914. More than 1,000 people attended with Dr. Newton and his second wife (Matilda Julia Mondrik) as hosts and Dr. Rischar as honoree. A description of the reception follows: "*The approval and pride of guests were expressed in congratulations for Drs. Newton and Rischar on every hand. A just, local pride stirred the heart of every citizen and found expression in their pleasant faces and prophecies.*" It was also reported that the facility would have two of the ablest physicians and surgeons in Texas.



Dr. Eduard Rischar (1922 Passport Photo)

One week after the reception, Dr. Newton granted Dr. Rischar a ¼ undivided interest in the new 'Cameron Sanitarium' conditioned on Dr. Rischar fulfilling their partnership contract's provisions. Dr. Rischar was also granted the right to purchase an additional ¼ undivided interest for \$12,000. On 22 April 1916, Dr. Rischar was deeded an unconditional ½ undivided interest in the 'Cameron Hospital.'

Initially, the medical facility was called 'Cameron Sanitarium,' 'New Cameron Sanitarium,' and 'Newton Sanitarium.' After 1915, it was primarily called the 'Cameron Hospital' with Drs. Newton and Rischar identified as "Surgeons in Charge." The hospital also sponsored a "Training School for Nurses."

#### Cameron Hospital Highlights:

- Reported cost ranged from \$40,000 to \$100,000
- Building constructed of red brick and was 300 feet west of the frontage street (Crockett)
- Three stories, fireproof, balconies, sleeping porches, nurses' apartments, 60 beds
- Steam heated, electric lighted, electric elevator
- First floor: administrative offices, dining rooms, examination, and x-ray rooms
- Second floor: 16 private rooms, two ward rooms
- *Third floor*: 10 private rooms, a solarium, a lecture room, an operating room described as "one of the finest and best equipped in the state"



Cameron Hospital (1914-1946) St. Edward Hospital-Rischar Memorial (1946-1970)

Dr. Newton died 21 May 1938 in the Cameron Hospital and is buried in the 'Newton Family Plot' at Oak Hill Cemetery (Cameron). His death led to a legal challenge to Dr. Rischar by one of Dr. Newton's children, Dr. W.R. Newton, <u>Jr</u>., who held a ½ undivided interest in the Cameron Hospital (his mother and 5 living siblings conveyed the interest to him 29 January 1940). The District Court Judge ruled that Dr. Newton, <u>Jr</u>., was entitled to a partition of the property but that since a partition was impossible, the Cameron Hospital had to be sold at private sale "for the best cash price available." At the sale, Drs. Newton, <u>Jr.</u>, and Rischar had a bidding battle with Dr. Rischar submitting the winning bid of \$28,600. The deed making Dr. Rischar the sole owner of the Cameron Hospital is dated 6 July 1940.

Six years later on 12 October 1946, Dr. Rischar who was then 74 years old and a devout Catholic, donated the Cameron Hospital to the Sisters of Charity of the Incarnate Word of the Diocese of Galveston. <u>His altruistic act ensured that the hospital would be preserved for the</u> <u>people of Cameron and surrounding areas after he died</u> - the Sisters had been founding and operating Texas hospitals since 1876. The dedication ceremony for the newly-named "St. Edward Hospital–Rischar Memorial" was held 21 November 1946 - the Congregation of Sisters of Charity of the Incarnate Word operated the hospital for the next 44 years.

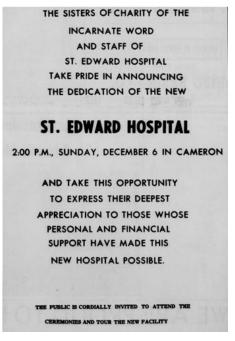
Dr. Rischar's youngest sister, Rose, was a Registered Nurse and played a critical role in the Cameron Hospital's success by serving as Superintendent of Nurses and Business Manager. She came to Cameron in 1916 - two years after her brother's arrival. Dr. Rischar and Rose, both of whom never married, shared the same houses in Cameron.

Rose died 4 January 1947 and Dr. Rischar died 1 August 1948: both are buried in the 'Rischar Family Plot' at St. Monica's Cemetery (Cameron) along with three of their seven siblings.

#### THE PRESENT-DAY BUILDING WAS THE 'NEW' ST. EDWARD HOSPITAL BUILT IN 1970

On 15 September 1968, the Sisters decided to build a new hospital just south of the original 54year-old St. Edward Hospital. Within two years, the 'New' St. Edward Hospital–Rischar Memorial was completed at a cost of \$1.35 million with funding provided by a federal 'Hill-Burton Grant' (\$500,000), the Sisters (\$250,000), and the local community (in excess of \$250,000). Donors were recognized by plaques near the entrance of each room. For example, the plaque for Room 112 announced: "ROOM DONATED IN MEMORY OF TENNIS LEE THOMPSON BY MR. AND MRS. L. P. (TOMMY) THOMPSON" (*See Appendix 1 for more plaques*). The dedication ceremony for the 'New' St. Edward Hospital was held 6 December 1970.

That building will become the Milam County Government Center in early 2022.



Invitation to Dedication Ceremony

There was talk of converting the 'Old' St. Edward Hospital into a professional building, but instead its demolition started 19 July 1971 and was completed within four months. (NOTE: <u>The site of the 'Old' St. Edward Hospital/Cameron Hospital was the present-day parking lot just west of the Professional Building</u>.)

#### THE FINAL CLOSURE OF THE HOSPITAL IN CAMERON

Rural hospitals such as St. Edward Hospital began experiencing financial difficulties in the 1980s. One major problem was that they were unable to compete with better-equipped hospitals in nearby larger cities - in other words: If a hospital is not used, it is closed. This situation remains a challenge for Milam County today. The fact that financial problems were buffeting St. Edward Hospital in the 1980s can be documented by comparing the hospital's 'admissions' and 'annual expenses' for 1976 and 1986 using data provided by the American Hospital Association: 'admissions' declined from 1,429 to 652 while 'annual expenses' increased from \$810,000 to \$1,800,000 from 1976 to 1986.

In fact, on 5 September 1989 the Sisters inquired if the City of Cameron would provide a \$300,000 annual subsidy for St. Edward Hospital. In response to the request, the City earmarked \$75,000 in the 1990 budget for the hospital. On 12 September 1989, the Sisters announced that they would be leaving St. Edward Hospital and were soliciting proposals for keeping the hospital open. They explained that a key reason for their decision was linked to "Mission Need" which they defined as "are people using our facilities and are we meeting a need in the community." The fact that the number of employees often exceeded the number of patients at the hospital was cited as an example that their Mission was not needed in Cameron.

The next 29 years of the hospital's history brought great jubilation and bitter disappointment to the Cameron community - especially to a group of people dedicated to keeping the hospital open that formed within one week of the Sisters' 'End of Mission' announcement. Cameron Chamber of Commerce Manager Frances Baldwin is credited for issuing the first "call to action."

The grass-roots movement to save the hospital was led by a 10-person "Save St. Edward" task force chaired by the third of five people who played critical roles in the hospital's story: <u>Mark</u> <u>M. Humble</u>. Mr. Humble served as Cameron's City Attorney and founded Texas Country Title Company. The task force formed a nonprofit corporation named 'Central Texas Hospital' (<u>later named CTH, Inc.</u>) on 20 November 1989.

# Without any closed deals in hand, the Sisters officially closed the doors of St. Edward Hospital at <u>3 PM on 30 November 1989</u>.

Under Mr. Humble's leadership, the "Save St. Edward" task force completed multiple intricate steps including intense negotiations with the Sisters which ultimately led to the purchase of St. Edward Hospital (and the associated convent and professional building) for \$250,000 on 15 March 1990; the property was valued at \$2.1 million. On that day, the hospital's name was changed to 'Central Texas Hospital' in accordance with the purchase terms.

The Central Texas Hospital Board had continuously alerted the Cameron community that a long-term source of revenue had to be secured to ensure the success of the hospital. In May 1990, the Board recommended that a ½ cent sales tax be the long-term source of needed income to repay a \$600,000 bond issue whose proceeds would be used as immediate operating capital for the hospital. On 11 August 1990, Cameron residents approved the sales tax increase by a 9 to 1 margin at a special election.

#### <u>The Central Texas Hospital was formally dedicated and opened on 11 December 1990 - Mr.</u> <u>Humble cut the ribbon.</u>

Getting to that opening day required a group effort by committed and generous citizens, banks, businesses, and the City of Cameron. For example, the "Save St. Edward" fund drive co-chaired by Susan Humble and Janet Kubacak began accepting donations on 10 October 1989 and by 10 December 1989 (in other words, <u>two months later</u>) had received \$433,000 in donations. This money was used to make the initial \$100,000 cash payment to buy the hospital (the remaining \$150,000 of the purchase price was paid over three years) and to cover the costs of a feasibility study, an audit, legal fees, and re-opening the hospital.



Mark M. Humble, Esquire (1965 – searching for newer photo)

The problems facing rural hospitals continued and by 1998 the operating capital originating from the bond issue had been depleted. At that time, the citizen-led CTH, Inc. began contracting with companies to operate the hospital – the advantage being that the operating companies would provide the operating capital. The first operating company was NetCare

Health Systems of Nashville from 1998 to 1999. Then CTH, Inc. leased the hospital to Cameron Hospital, Inc. whose president, Tariq Mahmood, used lax state regulations to commit massive Medicare fraud; his association with Central Texas Hospital ended June 2013.

On 8 October 2013, CTH, Inc. signed an operating agreement with Little River Healthcare-Central Texas, LLC. At that time, it was determined that the hospital needed significant repairs and renovations. On 7 November 2013, three local banks (Classic Bank, Citizens National Bank, and Buckholts State Bank) under the leadership of Classic Bank loaned \$1.25 million to CTH, Inc. to be used for the required improvements.

Five years later, Little River Healthcare filed for bankruptcy and on 7 December 2018 closed all of their medical facilities including the Cameron hospital. *Modern Healthcare* reported that the "closures come after the company's Chicago-based lender, Monroe Capital, declined to provide requested funding" - Little River Healthcare owed creditors in excess of \$150 million.

The hospital remained closed, payments were not made on the bank loan, and on 3 September 2019 the banks foreclosed on the property. The hospital was sold at public auction to Classic Bank which was the "best and highest bidder" for \$755,306.13. The deed conveying the hospital property from CTH, Inc. to Classic Bank is dated 3 September 2019 – that date also proclaims and documents that the Milam County community guided by the Central Texas Hospital Board had successfully kept the Cameron hospital open for almost all of the 29 years and 5 months following the Sisters' decision to leave St. Edward Hospital.

#### THE BUILDING THAT HAS ALWAYS HELPED PEOPLE WILL CONTINUE TO HELP PEOPLE

This building had always helped people as a hospital by either helping them stay healthy or helping them recover from accidents and diseases. Now because of the enlightened visions of two men, this 50-year-old building instead of being demolished into debris has been renovated into an office complex for the Milam County government and will continue its legacy of helping people by helping provide good governance.

This brings us to the fourth of five people who played critical roles in the hospital's story: <u>*Rickey*</u> <u>*Williams*</u>. Mr. Williams is the Chief Executive Officer of Classic Bank – the bank whose first president owned the land that Dr. Newton purchased in 1913 to build his sanitarium; the bank that stepped up when expensive repairs were needed to keep the hospital open in 2013; and the bank that purchased the hospital when sold at public auction in 2019.

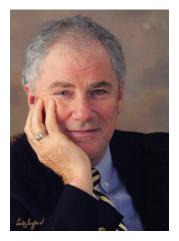


Mr. Rickey Williams

Mr. Williams played integral roles in keeping the hospital open after the Sisters decided to leave in 1989 by <u>first serving</u> on the 10-member "Save St. Edward" committee which included Dr. Sidney H. Richardson (the first doctor to occupy a Unit A medical suite in the Professional Building built next to the hospital in 1972), and <u>later serving</u> on the 'Central Texas Hospital Board' with four other people including Mr. Humble. During the last three years, Mr. Williams has shepherded the unique/innovative idea of trading Milam County's scattered office buildings in downtown Cameron for the hospital property. When asked to explain how this idea originated, this is what he wrote:

"At the bank Christmas Party in December of 2018, I was approached by the husband of one of our employees, **Tommy Harris** (the son of Cameron Mayor Bill Harris). Tommy had heard that the banks of Cameron had acquired the Central Texas Hospital property. He had an idea. The idea was that the county should acquire the hospital via purchase or swap and turn it into a county annex. And then the vacated downtown buildings and downtown Cameron could be returned to business as it had been in the past. I immediately saw this as a great idea that turned out to take at least two years of wrangling, negotiation and planning to come about. The county after acquiring the hospital and engaging in months of planning, designing, engineering and estimating, applied to a federal grant program that was looking for shovel-ready projects. Milam County had a good one! And now there is a great deal of interest in the soon-to-be vacated downtown buildings. Sometimes the Stars line up!"

This brings us to the fifth of five people who played critical roles in the hospital's story: *Steve Young*. About one month before Steve Young was sworn in as County Judge of Milam County on 1 January 2019, Mr. Williams approached him with the idea of Milam County moving their offices to the old hospital property. Judge Young instantly understood the benefits that this most unique opportunity would have for Milam County – and he was willing to face the expected pushback about the deal – pushback which quickly became reality. Later, Mr. Williams proposed the idea of exchanging the Milam County offices in downtown Cameron for the hospital property.



Judge Steve Young

When asked to explain his reasoning for deciding to promote and support Mr. Williams'/Classic Bank's offer, this is what Judge Young wrote:

"We made the swap for the convenience of the public and to save money. County offices are located in 9 offices and 9 buildings in downtown Cameron. Thus, it is hard to know where to go when County services are needed. Further, the buildings are old and in bad shape. There is little insulation. They all need a lot of work. Consolidation will save us a lot of money, but I am not sure exactly how much. Probably \$31,000 per month.

Finally, this will now allow downtown Cameron to grow. County occupancy of just about all of the buildings has stifled the downtown and there is nothing there. Now, the old square can grow. Five of the buildings have now been sold. One of the owners is planning to spend over 1 million dollars to fix up the old JC Penny building [101 West Main]. The plan is to make living quarters upstairs and a business downstairs." Judge Young and Mr. Williams stayed the course and on 27 July 2020, two Special Warranty Deeds were signed: No. 1 - Classic Bank conveyed the hospital property to Milam County; No. 2 - Milam County conveyed eight buildings and two tracts of land in Cameron to Classic Bank.

The cost of preparing the hospital building to house Milam County government offices was compensated by Judge Young's successful submission of a grant proposal to the U.S. Department of Commerce's Economic Development Administration (EDA). His proposal was rewarded with a \$3.77 million grant requiring a 20% match that fully paid the \$3.66 million bill for the renovation work performed by Cameronbased EBCO General Contractor LTD.



Mr. Rickey Williams and Judge Steve Young deserve most of the credit for the Government Center being dedicated today. Together they came up with how to take advantage of an oncein-a-lifetime opportunity. As a result, their efforts have provided Milam County a new, modern, and secure office complex at almost no cost to the county because of the equal exchange of properties and a federal grant to pay for the needed renovations – while stimulating the revitalization of downtown Cameron.

Facts about the property exchange between Classic Bank and Milam County, Texas:

- Milam County's Property Exchange:
  - 8 buildings (50,681 square feet) and 2 parking areas
  - Milam Appraisal District valuation = \$1.28 million
- Bank's Property Exchange:
  - o 3 major buildings (49,900 square feet) and 9.16 acres
  - Milam Appraisal District valuation = \$1.71 million
- Cost-saving examples:
  - o Internet and telephone service savings: \$250,000/year
  - Utilities savings: \$10,000/year
  - Estimate for needed repairs of downtown Milam County offices: \$860,000
- Other advantages of new Milam County Government Center:
  - Designed to provide effective security for all county personnel
  - Nine acres of land will provide space for new facilities when needed



Architects' Concept of the Reception Area of the New Milam County Government Center

## APPENDIX 1:

Construction of the "NEW" St. Edward Hospital-Rischar Memorial was supported by a tremendous outpouring of donations from citizens and businesses. When the "NEW" St. Edward Hospital-Rischar Memorial was dedicated on 6 December 1970, plaques could be found throughout the hospital commemorating many of the donations. In 2020, Mr. Rickey Williams collected these plaques before the work commenced to convert the hospital building to the new Milam County Government Center. The inscriptions on those plaques are recorded in this Appendix either in photos or words.



A HEALTHY BODY IS GUEST-CHAMBER OF THE SOUL A SICK, ITS PRISON FRANCIS BACON THIS WING IS DEDICATED TO THE HANDS AND MIND OF THE SKILLFUL SURGEON WHO REMOVES THE SHACKLES FROM THE FETTERED SOULS.

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ROOM NUMBER	PLAQUE INSCRIPTION
110	In Memory of Mr. and Mrs. Joseph Matula, Sr., by Mr. and Mrs. Chas. J. Matula, Sr.
112	Room donated in Memory of Tennis Lee Thompson by Mr. and Mrs. L. P. (Tommy) Thompson
114	Room and furnishings donated by Knights of Columbus, Cameron Council 2338
116	Room and furnishings donated in Memory of Mrs. W. J. Woods, Mr. and Mrs. S. W. Cheeves, and Mrs. Cecil R. Warner by Mr. and Mrs. Niley J. Smith
120	Room and furnishings donated in Memory of Mrs. Jessie Winn by Mr. & Mrs. R. L. Batte, Jr.
122	Room and furnishings donated in Memory of Kim McDermott by Dr. & Mrs. Lyle McDermott

123	Room furnishings donated by Mr. and Mrs. E. A. Perrin
124	Room and furnishings donated in loving Memory of Frances Dossett Swift
125	Room furnishings donated by Mr. and Mrs. Robert W. Wells
127	Room furnishings donated by Mr. and Mrs. Leo Fuchs and Mr. and Mrs. Monroe Fuchs
129	Room and furnishings donated in Memory of Sister Mary Clarita Kelly by Sisters in Nursing Department
131	Room furnishings donated in Memory of Stephen and Mary Geiser
133	Room donated in Memory of Mr. Clifton B. Jenness by his family
136	Donated in Memory of Stephan and Antonia Polzer by Frank J. Polzer
138	Room furnishings donated by Dr. and Mrs. George Bowman
140	Room furnishings donated by Mr. and Mrs. Vernon Roberts
142	Room furnishings donated in Memory of our fathers D. W. Maedgen and G .L. Humble by Mr. and Mrs. Don G. Humble
144	In Memory of E. A. Flinn and in Honor of Mrs. E. A. Flinn by Mr. & Mrs. Glenn Flinn

146	Room furnishings donated in Memory of Mrs. R. B. Rylander, Sr., by Mr. & Mrs. R. B. Rylander, Jr.
148	Room and furnishings donated in Memory of Mr. and Mrs. J. H. Scarborough and F. H. Scarborough
150	Room furnishings donated in Memory of H. H. Pruett by his family
152	Room given in Memory of my mother Mrs. Hallie Glass by Donald Glass
154	Room and furnishings donated in loving Memory of Frances Dossett Swift by Sarah Dossett Kendall, Bess and Stanton Dossett
	Room furnishings donated in Memory of parents George & Rosina Marak by Antonia Marak
	Room furnishings donated by St. Monica's Ladies Society
Conference Room	Furnishings for conference room by Max McClaren, Madeline & Melanie, in loving Memory of Margie McClaren
Maintenance Office	Room furnishings donated in Memory of Mr. R. L. Batte, Jr., by Mrs. R. L. Batte, Jr.
Physical Therapy Room	Room furnishings donated in Memory of Fred Lazek, Sr., by Reverend Alek Lazek