



# CommuniCare announces plans to merge with OLE Health

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The Hansen Family Health Center in Woodland is part of CommuniCare Health Centers. Sue Cockrell/Enterprise file photo.

Fifty years ago, Dr. John H. Jones opened the Davis Free Clinic in the basement of the Friends Meeting House on L Street, a place where he and other volunteers provided free medical care and substance-abuse treatment to anyone who needed it, regardless of ability to pay.

Over the ensuing decades, demand for those services grew, prompting the clinic to move first into a house on the corner of Fourth and E streets in downtown Davis and later expanding to multiple sites in multiple communities, collectively known as CommuniCare Health Centers, an official federally qualified health center.

In Davis, CommuniCare operates out of a clinic next to Sutter Davis Hospital, on John Jones Road, and along with clinics in other locations, including in Woodland and West Sacramento, employs hundreds and serves more than 27,000 patients — one in nine Yolo County residents.

Not bad for a tiny nonprofit that began with an all-volunteer staff working out of a basement 50 years ago.

Now the expansion continues.

On Tuesday, CommuniCare announced its intention to merge with OLE Health, creating one regional nonprofit community health center network that will provide services across Yolo, Solano and Napa counties.

All told, there will be 17 sites serving more than 71,000 patients with expanded services across the three counties.

Currently OLE Health — founded by migrant workers 50 years ago — operates in four locations in Napa County, caring for 1 in 4 residents, and is Napa’s only nonprofit health center. OLE also has two sites in Fairfield and is the only non-governmental federally qualified health center in the Fairfield-Suisun area.

Like CommuniCare, OLE Health provides comprehensive primary care services to anyone, regardless of insurance or ability to pay. The majority of patients served by both organizations are on Medi-Cal and live at or below 200 percent of the federal poverty line.

Ensuring continued access to quality care for those patients is the reason for the proposed merger.



Dr. Melissa Marshall, CommuniCare CEO. Courtesy photo

“As the healthcare landscape continues to shift, community health centers need to adapt in order to ensure continued access and care for vulnerable populations,” said Dr. Melissa Marshall, CEO of CommuniCare Health Centers.

“CommuniCare and OLE Health are very similar, mission-oriented organizations, committed to doing what is best for our patients,” Marshall said. “We believe uniting provides the best possible future for our patients, staff, and communities.”

The merger must still be approved by the Health Resources and Services Administration, the federal agency that oversees federally qualified health centers, but the goal is for the merger to be complete by Jan. 1, 2023.

Plans call for Alicia Hardy, CEO of OLE Health, to assume the role of CEO for the new organization, with Marshall becoming chief strategic advisor.

“This is a merger of equals,” said Marshall, who added that “you can only have one CEO” and she was happy to leave that position to Hardy.

“I really think this is bigger than me,” she said.

The new board of directors and executive team will include existing members from both OLE Health and CommuniCare. The board will be led by Michael Golde, who has served as board chair of CommuniCare, with Pete Richmond, board chair of OLE Health, serving as vice chair. OLE Health will be the legally surviving entity.

“I am thrilled to be uniting our organizations and creating a stronger, more sustainable future for both our patients and communities that rely on us,” said Hardy. “I have a deep admiration for Dr. Marshall and the team she has built at CommuniCare and look forward to working closely with her to integrate our two teams into the region’s best nonprofit healthcare provider.”

Both organizations offer bilingual medical, dental, behavioral health, nutrition, perinatal programs and care coordination for patients, with a sliding fee scale and no one ever turned away because they are unable to pay.

The merger, meanwhile, will allow for expanded services for patients in both organizations. For example, CommuniCare offers substance use disorder treatment and runs behavioral health services for Yolo County, while OLE Health offers optometry and clinical pharmacy services.

“This ultimately gives patients access to new programs and expanded expertise,” a press release announcing the merger noted.

But for the most part, Marshall said, current CommuniCare patients will not see much in the way of change once the merger takes place.

“On the ground level, everything will be the same,” she said.

In the months ahead, a steering committee comprised of board members and executives from both organizations will work on transition planning, including determining the new organization’s name. The newly formed executive committee and board of directors will immediately begin integrating staff and operations throughout the organization and all current CommuniCare and OLE Health employees will be retained.

“We have a shared commitment to have 100-percent retention of employees,” Marshall said.

According to those involved, financial projections indicate that the merger will make the new entity more cost-efficient, maximizing reimbursements to increase revenue that can be invested into direct patient care.

“Merging will also make the new organization more resilient to changes in the healthcare landscape and better positioned to embrace new models of healthcare delivery and payment, ultimately providing more stability for the patients and communities that rely on services from CommuniCare and OLE Health,” the press release announcing the merger said.

For Marshall, who served as chief medical officer for CommuniCare prior to taking over as CEO in 2018, the merger just makes sense.

“We’re leveraging talent and resources in a way that’s going to allow us to really continue on our mission for another 50 years,” she said.

And she got confirmation that the merger is the right move from a key individual.

“I had a conversation with Lorraine Lunden, who is a physician assistant who has been with CommuniCare for 44 years and actually worked with our founder, Dr. Jones,” said Marshall. “And after the conversation, she told me that Dr. Jones would approve. And that was it for me. That made me happy.”

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