



PUBLIC NOTICE
CITY OF ALAMEDA HEALTH CARE DISTRICT
BOARD OF DIRECTORS
REGULAR MEETING AGENDA

Monday, April 4, 2011

6:00 p.m. (Closed)

7:30 p.m. (Open)

Location: Alameda Hospital (Dal Cielo Conference Room)
2070 Clinton Avenue, Alameda, CA 94501
Office of the Clerk: (510) 814-4001

Members of the public who wish to comment on agenda items will be given an opportunity before or during the consideration of each agenda item. Those wishing to comment must complete a speaker card indicating the agenda item that they wish to address and present to the District Clerk. This will ensure your opportunity to speak. Please make your comments clear and concise, limiting your remarks to no more than three (3) minutes.

- I. **Call to Order (6:00 p.m. – 2 East Board Room)** Jordan Battani
- II. **Roll Call** Kristen Thorson
- III. **Closed Session Agenda**
 - A. Call to Order
 - B. Approval of Closed Session Minutes – March 9, 2011
 - C. Medical Executive Committee Report and Approval of Credentialing Recommendations H & S Code Sec. 32155
 - D. Board Quality Committee Report (BQC) H & S Code Sec. 32155
 - E. Instructions to Bargaining Representatives Regarding Salaries, Fringe Benefits and Working Conditions Gov't Code Sec. 54957.6
 - F. Consultation with Legal Counsel Regarding Pending Litigation Gov't Code Sec. 54956.9(a)
 - G. Discussion of Pooled Insurance Claims Gov't Code Sec. 54956.95
 - H. Discussion of Report Involving Trade Secrets H & S Code Sec. 32106
 - 1. Discussion of Hospital Trade Secrets applicable to development of new hospital services, programs and facilities. No action will be taken
 - 2. Discussion of Hospital Trade Secrets applicable to development of new hospital services, programs and facilities. No action will be taken
 - 3. Discussion of Hospital Trade Secrets applicable to development of new hospital services, programs and facilities. No action will be taken
 - I. Adjourn into Open Session
- IV. **Reconvene to Public Session (Expected to start at 7:30 p.m. – Dal Cielo Conference Room)**
 - A. Announcements from Closed Session Jordan Battani

V. Regular Agenda

ACTION ITEMS

A. Consent Agenda

- 1) Approval of March 9, 2011 Regular Meeting Minutes [enclosure] (PAGES3-9)
- 2) Acceptance of Annual Environment of Care Report [enclosure] (PAGES 10-34)
- 3) Acceptance of February 2011 Financial Statements [enclosure] (PAGES 35-55)
- 4) Approval to Renew Angelica Textile Service Agreement [enclosure] (PAGES 56-57)
- 5) Request to Move May 2011 District Board Meeting [enclosure] (PAGE 58)

B. President's Report

Jordan Battani

- 1) Update on Discussions with City Officials

C. Chief Executive Officer's Report

Deborah E. Stebbins

- 1) Monthly Statistics **INFORMATIONAL**
- 2) Hospital Updates / Events **INFORMATIONAL**
- 3) Stroke Certification Update **INFORMATIONAL**

D. Finance and Management Committee Report

- 1) March 30, 2011 Committee Meeting Report **INFORMATIONAL**
- 2) FYE 2011 Year End Projections **INFORMATIONAL** [ENCLOSURE] (PAGES 59-62)
- 3) FYE 2012 Budget Calendar **INFORMATIONAL** [ENCLOSURE] (PAGE 63)

J. Michael McCormick

David A. Neapolitan

David A. Neapolitan

E. Community Relations and Outreach Committee Report

Stewart Chen, DC

F. Medical Staff President Report

James Yeh, DO

VI. General Public Comments

VII. Board Comments

XIII. Adjournment



Directors Present:

Jordan Battani
 Elliott Gorelick
 Stewart Chen, DC
 J. Michael McCormick
 Robert Deutsch, MD

Medical Staff Present:

James Yeh, DO

Legal Counsel Present:

Thomas Driscoll, Esq.

Management Present:

Deborah E. Stebbins
 Kerry J. Easthope
 David Neapolitan
 Mary Bond, RN

Excused:

Submitted by: Kristen Thorson

Topic	Discussion	Action / Follow-Up
I. Call to Order	Jordan Battani called the Open Session of the Board of Directors of the City of Alameda Health Care District to order at 6:07 p.m.	
II. Roll Call	Kristen Thorson called roll, noting that a quorum of Directors were present.	
III. Closed Session Agenda	The meeting was adjourned into Executive Closed Session at 6:08 p.m.	
IV. Reconvene to Public Session	<p>The meeting was reconvened into public session at 7:39 p.m. Director Battani reported that the following actions were taken in Closed Session.</p> <p>A. Announcements from Closed Session</p> <ol style="list-style-type: none"> 1. Closed Session Minutes – February 7, 2011 (Regular) 2. Board Quality Committee (BQC) Report – December 2010 3. Medical Executive Committee Report and Approval of Credentialing Recommendations 	<p>The Closed Session Minutes were approved.</p> <p>The BQC report was accepted as presented.</p> <p>The Medical Executive Committee Report and Credentialing Recommendations were approved as presented below.</p>

Initial Appointments – Medical Staff

Name	Specialty	Affiliation
○ David Bonovich, MD	Neurology	Eden Medical Center
○ Marsha Roberts, MD	Teleradiology	Bay Imaging Consultants

Reappointments – Medical Staff

Name	Specialty	Staff Status	Appointment Period
○ Christopher Chen, MD	Orthopedics	Courtesy	04/01/11 – 03/31/13
○ Huilan (Judy) Cheng, MD	Gastroenterology	Courtesy	04/01/11 – 03/31/13
○ Philip Gardner, MD	Ophthalmology	Active	04/01/11 – 03/31/13
○ Lisa Higa, MD	Gastroenterology	Courtesy	04/01/11 – 03/31/13
○ General Hilliard, MD	Cardiology	Courtesy	04/01/11 – 03/31/13
○ Ho-Yin Li, MD	Anesthesiology	Courtesy	04/01/11 – 03/31/13
○ Norman Moscow, MD	Radiology	Courtesy	04/01/11 – 03/31/13
○ Jeffrey Niccoli, DPM	Podiatry	Courtesy	04/01/11 – 03/31/13
○ Thomas Quinn, MD	Cardiology	Courtesy	04/01/11 – 03/31/13
○ Concepcion Regacho, MD	Anesthesiology	Courtesy	04/01/11 – 03/31/13
○ Ronald Rubenstein, MD	Otolaryngology	Courtesy	04/01/11 – 03/31/13
○ Thomas Sugarman, MD	Emergency Medicine	Active	04/01/11 – 03/31/13

Resignations

Name	Specialty
○ Rachel Baker, PA-C	Physician Assistant –Emergency Department
○ Sean Parkin, PA-C	Physician Assistant – Emergency Department
○ Carmello Roco, MD	Internal Medicine

<p>V. Regular Agenda</p>	<p>A. Consent Agenda</p> <ol style="list-style-type: none"> 1. Approval of February 7, 2011 Regular Meeting Minutes 2. Approval of January 2011 Financial Statements 3. Approval of Wound Care Program Capital Budget and Operating Proforma Director Gorelick asked if the debt to service ratio is directly related to cash flow or income. Kerry Easthope replied that it is strictly related to cash flow. 4. Approval of Wound Care Program Financing with Bank of Alameda 5. Approval to Renew the Line of Credit with the Bank of Alameda 6. Approval to Annual Use of Jaber Funds 7. Approval of Revisions to the Medical Staff CME Mission Statement 8. Approval of Resolution 2011 – 1I Line of Credit 9. Approval of Resolution 2011 – 2I Wound Care Term Loan 	<p>Kristen Thorson, District Board Clerk, announced that the Videographer would be 20 minutes late. Director Battani suggested and the Board agreed not to use the Videographer for this session as to not have further delay.</p> <p>Director Gorelick pulled Consent Agenda Items 3, 4, and 9 from the Agenda for discussion.</p> <p>Director McCormick made a motion to approve the remainder of the Consent Agenda, Items 1, 2, 5, 6, 7, and 8 as presented. Director Chen seconded the motion. The motion carried unanimously.</p> <p>After no further discussion on the items, Director Chen made a motion to approve the Consent Agenda Items 3, 4, and 9 as presented. Director Deutsch seconded the motion. Director Gorelick opposed the motion. The motion carried (4/1).</p>
	<p>B. Action Items</p> <ol style="list-style-type: none"> 1. Approval to Purchase Electronic Health Record (EHR) Equipment from Emgence Ms. Stebbins requested approval from the Board to purchase 50 computer carts, 50 	<p>Director McCormick made a motion to approve the purchase of the Electronic</p>

computers (COW's) and associated ancillary equipment for the purchase price of \$310,535.81. Purchase of this equipment is required to activate the Patient Care System segment for meaningful use by 2013. Financing this capital purchase is suggested through the Master Lease Agreement with Bank of America. Acquisition of the computers and EMR carts at this time will allow us to remain on schedule for the implementation of the entire EHR system and achievement of meaningful use, in order to maximize reimbursement from CMS. The delivery date of 3 EMR Carts is March 23, 2011 pending approval of the Board. Director Deutsch asked if the EMR carts have been viewed in "live-mode". Ms. Bond replied that consultants from Jacobus have witnessed them in use in other hospitals and they are highly recommended. She further noted that 6 to 8 EMR carts are necessary for use in the Emergency Department and will be used as a test-trial for the continued purchase of more units for use throughout the hospital.

Health Record Equipment from Emgence. Director Gorelick seconded the motion. The motion carried unanimously.

C. President's Report

1. Compensation Survey Process

Director Battani mentioned Bill Hopkins, Senior Consultant at Integrated Healthcare Strategies, the firm that has been engaged to assess the executive compensation for the District is currently revising the compensation survey to include some additional requested items. She expects to have an in-depth discussion, possibly at a Special District Board Meeting in April to discuss the results and next steps.

No action taken

2. Appointment to Serve on a City Manager Interview Panel

Director Battani stated that many local business leaders are being asked to participate in a panel to interview a new City Manager and she has been invited to join as a representative of the City of Alameda Health Care District. The interviews are scheduled to take place on March 25, 2011.

No action taken

D. Chief Executive Officer's Report

1. FYE 2011 Strategic Goals and Objectives Progress Update

Ms. Stebbins presented the Strategic Goals and Objectives Progress Update, which focuses on six major areas of the Strategic Plan: Financial Strength, Growth, Facilities & Technology, Physicians, Quality/Service, and People as outlined in the document that was handed out at the meeting. Document will be posted with the Board packet on the website.

Financial Strength: Ms. Stebbins reviewed status of the Intergovernmental Transfer (IGT). Ms. Stebbins stated that there is new legislation, SB7, which will eliminate the requirement of having a CMAC contract in order to receive IGT funds. She is anticipating further discussions to take place on April 6, 2011 for the CHA Legislative Day event in

Sacramento.

Growth: Ms. Stebbins stated that the 1206(b) Clinic is now certified to accept patients through Alameda Alliance. Director Gorelick stated an interest in the availability of Stroke Assessment Screening on Bay Farm Island, such as the Community Center or Temple. Management will work to schedule a screening on Bay Farm.

Facilities & Technology: Ms. Stebbins noted the EHR is on schedule and expects the implementation of EDM by March 2011 and PCS by May 2011. The PCS implementation date may change slightly due to an increased need for training, but is still expected to remain within the goal of meeting meaningful use.

Physicians: Ms. Stebbins mentioned new Physicians such as Ed Chan, M.D., Diane D. Lee, M.D., and Claudine Dutaret, M.D. that have recently been recruited through the 1206(b) clinic.

Quality/Service: Ms. Stebbins reviewed that customer service training has been an increased focus for employees. Mandatory classes were held in February regarding customer service and communication.

People: Ms. Stebbins stated that the Service Excellence Committee continues to meet and discuss C.A.R.E. values of Alameda Hospital and to address feedback from patients.

2. Monthly Statistics

Ms. Stebbins reported that the February acute care census was 18% below budget. Sub-acute and South Shore census was over budget for the month of February. Patient days were lower than budget. Emergency visits were approximately 2.6% below budget for the month.

Ms. Bond noted that Alameda Hospital had admitted 13 patients and discharged 14 patients within an eight hour period on March 9, 2011. The Emergency Department had seen 54 patients a day on average during the week of March 7th.

3. Hospital Updates / Events

Ms. Stebbins stated that interviews for a Director of Financial Planning and Decision Support have taken place and resulted in a few prospective candidates. She acknowledged the satisfaction Alameda Hospital has had with the selection of the new Interim IT Director, Dan Dickenson, and that the selection process for a permanent IT Director has been initiated.

	<p>4. Stroke Certification Update</p> <p>Mary Bond updated the Board on the status of the Hospital achieving stroke certification through the Joint Commission. All prior patients that fall within stroke guidelines have been entered and the database is up to date. 74% of all hospital employees received one-hour stroke training. Additional classes will be scheduled in April to accommodate the remainder of employees that still need training to meet Joint Commission requirements. 95% of ECC Physicians completed the required education for certification on the NIHSS stroke screen. The application process to the Joint Commission is in the final phases. We are continuing the stroke screenings for the community over the next six months. For the month of March and April, all screening appointments have been filled and the program continues until June 2011. Ms. Stebbins added that the County has approved assistance in the amount of \$37,900 for a Stroke Public Awareness / Community Education Campaign.</p>	
	<p>E. Finance and Management Committee Report</p> <p>1. February 23, 2011 Committee Meeting Report</p> <p>Director McCormick stated that the January 2010 Financial Statements were reviewed at the meeting noting the average daily census and gross patient revenue were less than budget, net patient revenue was \$450,000 or 8.5% greater than budget, and on a year-to-date basis we had a loss of \$26,000 versus a budgeted profit of \$599,000. The Committee deferred the discussion and review of the 1206(b) Clinic Performance and analysis will be distributed at the next meeting. The Committee also deferred the update on the master lease agreement with Ban of America to the next meeting. Director Gorelick asked for an update on the budget process for FYE 2012. Ms. Stebbins stated that a timeline would be brought to the Finance and Management Committee in March.</p>	
	<p>F. Community Relations and Outreach Committee Report</p> <p>1. February 22, 2011 Committee Meeting Report</p> <p>Director Chen informed the Board that the Community Relations and Outreach Committee did not have a quorum at the last meeting and deferred any action items to the next meeting. The Committee received three resignations: Tracy Jensen, Brad Shook, and Ann Evans. Current committee members have been encouraged to bring nominations to the March meeting. One guest, Dr. Jennifer Ong, local Optometrist, attended the meeting. The city-wide taskforce to prevent and decrease childhood obesity, “Let’s Move Alameda” is developing steadily. The program will focus on increasing physical activity. 13,000 stroke awareness postcards have been sent to Alameda residents and businesses. The Committee is interested in inviting guest speakers from the community to educate and develop relationships with the Hospital. Relationships have been initiated with area businesses regarding exposure for the America’s Cup 2013 event.</p>	

	<p>G. Medical Staff President Report</p> <p>Dr. Yeh informed the Board that the Medical Staff CME program for the month was presented by Dr. Claudine Dutaret, regarding the Management of Seizures on March 8, 2011. Dr. Teresa Thomas will be presenting regarding the Capacity/Competency for Medical and Legal Decision Making on March 22, 2011. Dr. Yeh also informed the Board that Physicians continue to meet to discuss forms and policies for EHR and have devoted one day per month specifically to EMR development for Physicians.</p>	
VI. General Public Comments	None	
X. Board Comments	Ms. Thorson announced the Healthcare Reform Event & Children's Coverage Expansion on March 16, 2011 with Alameda County Supervisor Wilma Chan. The event will be held at La Clinica near the Fruitvale BART Transit Village in Oakland. Board members were invited to attend. Director Gorelick inquired about the volume of pediatric patients seen in the Emergency Room. Ms. Stebbins responded that there is a significant amount of pediatric cases seen in the Emergency Room.	
XII. Adjournment	A motion was made to adjourn the meeting and being no further business, the meeting was adjourned at 8:37 p.m.	

Attest:

Jordan Battani
President

Elliott Gorelick
Secretary

DATE: April 4, 2011

TO: City of Alameda Health Care District, Board of Directors

FROM: Kerry Easthope, Associate Administrator

SUBJECT: Acceptance of the 2010 Annual Environment of Care Report

The Hospital Safety Committee hereby submits the enclosed 2010 Annual Environment of Care (EOC) Report for acceptance by the District Board of Directors. The primary objective of the Safety Committee is to assess various elements of the Hospital to ensure a safe environment for patients, employees and visitors. The Committee meets on bi-monthly, or more often as needed. At these meetings, each subcommittee reports on its activities, progress towards achieving its established goals as well as any other relevant events that require committee discussion and action. The activities and subcommittees are defined by the Joint Commission standards for Environment of Care. The activities of the subcommittees are then summarized in an annual report that includes key accomplishments and goals for the upcoming year.

Enclosed are sub-committee annual reports covering the following areas of Environment of Care.

- Emergency Management
- Medical Equipment Management Plan
- Utilities Management
- Fire / Life Safety Management
- Human Resources Safety Plan
- Hazardous Materials and Waste Management (HAZMAT)
- Security Management
- Staff Education and Training
- Infection Control / Bloodborne Pathogen Exposure

During this past year there has been a special focus on updating the Environment of Care Policy & Procedure manuals as there have been several changes and updates in this area as required by the Joint Commission.

There has also been an exerted effort to have greater employee involvement in emergency management education and exercises. Gloria Williams, RN, Emergency Management Coordinator has done a commendable job providing staff in each department with Emergency Management education throughout the year. In addition, Environment of Care was a key component in the hospital-wide Safety Fair and Joint Commission Fair which were well attended by hospital employees.

During the Joint Commission accreditation survey in April 2010, there was a special session that focused solely on Environment of Care and the activities of the Safety Committee. The surveyor was pleased with the activities and accomplishments of the committee and no significant deficiencies were identified during this survey.

With the recent restructuring of the Hospital's Performance Improvement reporting structure, EOC is now one of the reporting functions. The Committee's initial performance improvement initiative was: cleanliness of the Hospital, as this was the single area that has the most opportunity for improvement within this function. The first report was provided in March 2010. The HCAHPS scores reflected steady improvement with this monitor over the course of the year. Beginning the first quarter of 2011, the EOC report to the Performance Improvement Committee will change to address any items that come out of the eight subcommittees that require special monitoring and reporting.

Of particular noteworthiness during 2010, we had improvement/success with our HAZMAT initiatives, employee injuries, infection control and emergency management.

The HAZMAT committee was able to have all of the Hospitals Material Safety Data Sheets (MSDS) updated online. The Committee worked with our biomedical service provider, Stericycle, to ensure that we had the appropriate type, size and quantities of spill kits and sharps containers throughout the facility. Staff was trained on how to use spill kits, based upon the types of chemicals used in their area. There will be HAZMAT spill drills twice a year during 2011.

The number of work related injuries decreased by 32% from prior year. Ongoing training and education of staff, as well as ergonomic assessments by our ergonomics specialist have contributed to this success.

During the 2010, there were only 2 blood borne pathogen exposures. This is down from 8 in prior year. Our Infection Preventionist has done a commendable job educating and training staff on the proper precautionary measures to minimize these exposures.

The Hospital is required to participate in a number of emergency management drills throughout the year. In July 2010, "Operation: Verdict" was initiated county-wide as a result of the BART police officer verdict in Oakland. This and other actual scenario drills, have allowed the Hospital to identify areas where we are strong, as well as, areas that need improvement that will allow us to be successful in the event of an actual disaster or large scale emergency situation.

The Committee meetings and activities are organized and well documented. It is our goal to maintain a high level of preparation and progress to ensure a safe environment of care during the 2011 calendar year.

Emergency Preparedness Subcommittee Annual Report 2010

Alameda Hospital continues to be committed to providing a safe, accessible, effective and efficient environment of care program consistent with its mission, service and applicable governmental mandates. This includes fostering the protection, safety and well-being of patients, visitors, personnel, volunteers and physicians and adhering to our social responsibility and commitment to the community.

The basis of the Emergency Management Program is to ensure effective mitigation, preparation, response and recovery in all disasters or emergencies affecting the environment. The Emergency Management Program was developed utilizing an “all hazards” approach that supports a level of preparedness sufficient to address a wide range of emergencies regardless of the cause.

I. Effectiveness

- Completion of all six sessions of hospital-wide inservicing to the Emergency Management Program including revisions, updates and regulatory requirements.
- Active participation in city, county and community committees – see attached list.
- Active participation in the Alameda County Disaster Preparedness Coalition. Participated actively in decisions about purchasing Disaster Preparedness supplies for Health Care Facilities/Agencies. Alameda Hospital received the following supplies from ACDPH:

2/10 - 1200 Pediatric masks and 2400 regular adult face masks
6/10 – 1200 4210 Particular Respirators and 2 - 4000 CPAP
8/10 – Pharmacy cache: 1200 doses Cipro and 2400 doses Doxycycline
- Received reimbursement from Homeland Security for meeting requirements for HPP grant for HCF.
- Participated in city, county and statewide drills/exercises occurring in 2010.
- HVA annually reviewed, revised and updated. Collaborated with city, county and Bay Area Multi-jurisdictional hazard mitigation planning. Collaboration with Alameda County in quarterly county-wide long term facilities emergency planning meetings.

- Provided disaster preparedness educational information and availability of resource person at Alameda Hospital Safety Faire on 3/11/10 and Alameda Hospital Health Faire.

II. **Scope**

The scope of the Emergency Management Program addresses issues of patients, visitors, personnel, volunteers, physicians and property. Program administration is delegated by the Safety Committee to the Safety Officer, Emergency Management Coordinator and Emergency Management Subcommittee. The Alameda Hospital EMP works in collaboration with the City of Alameda, Alameda County Emergency Medical Service Agencies, Bay Area Health Care Facilities and State and Federal agencies.

III. **Drills/Exercises**

Feb. 9th - Decontamination Exercise

May 25th – Alameda County Table Top Exercise – Operation Safe Movement III

A table top exercise planned and executed by ACPHD in collaboration with UC Berkeley Center for Infectious Disease and Emergency Response. The focus of the exercise was facility evacuation and patient tracking and included emergency management planners from hospitals, clinics, long-term care facilities, PHD, EMS, law enforcement, local fire department and transport providers.

June 30th - Alameda Hospital Mass Casualty Incident Drill

This Alameda Hospital exercise involved a high speed chase in Alameda resulting in a massive bus collision carrying 35 passengers. Surge capacity testing was one of the major objectives of this exercise. Alameda Hospital received 10 immediate care, 11 intermediate care, 11 minor care and 1 expired victim.

July 8th – Operation: Verdict

County-wide real event resulting from verdict in the trial of Bart Police Officer. Mitigation strategies were initiated by the City of Oakland involving the Police Departments, Fire Departments, EMS, Ambulance Services, Health Care Facilities and other affected agencies in early June.

Alameda Hospital was involved in the pre-planning and mitigation strategies. During the event the Decontamination Tent was erected and Staff increase initiated.

Sept. 28th – Alameda County Medical Health Tabletop Exercise – Focus: Communication, Intelligence and Information Sharing. Attended by law enforcement, fire, EMS, PHD, Clinics, HCF and County EOC.

Oct. 21st – Great California ShakeOut Drill
All departments participated at level 2 – basic life safety

Nov. 5th – Operation: Sentencing
County mitigation & preparedness planning in relation to anticipated MCI as result of sentencing of former Bart Police Officer. Alameda Hospital activated HIC for 18 hours.

Nov. 10th – Alameda City EOC Earthquake Exercise
A magnitude 7.1 Earthquake exercise resulting in major damage and disruption throughout the City of Alameda, Alameda Hospital positioned a liaison person in the Alameda City EOC to coordinate and facilitate communication between Alameda Hospital and Alameda City – the liaison proved to be valuable proved to be a valuable component of this exercise.

Nov. 18th – Statewide Medical Health Disaster Exercise – Terrorist Attack
Alameda Hospital fully participated in this event. Objectives for Alameda Hospital included target capabilities in communication, medical surge and intelligence sharing. We were able to get 20 students from Alameda City School District to participate as live victims and Alameda Hospital volunteers.

IV. Objectives and Goals for 2010

	2010 Specific Objectives & Goals	Status
A.	Continue education & training of all staff to Alameda Hospital Emergency Operations Plan. Reinforce HICS & Decontamination training. Complete training sessions 4, 5 & 6.	Completed all six sessions hospital wide in June.
B.	Assist Business Office with review & revision of Hospital Disaster Plan.	Completed
C.	Participate in California Statewide Disaster exercises.	Participated in November 18 th Statewide Medical Health Disaster Drill.
D.	Increase number of persons activated in the CAHAN Alerting System at Alameda Hospital.	2 persons added – Infection Control Practitioner & Staffing Office Coordinator
E.	Maintain currency of inventory in the Disaster Trailer and Emergency medication cache in the Pharmacy.	Inventory updated. Pharmacy cache received and secured.

F.	Collaborate with Alameda County and the community for Mass Fatality Plan.	Attended meetings and participated in Mass Fatality Planning – planning still in progress.
G.	Increase communication of Disaster Preparedness activities to Alameda Hospital Staff.	Pre-exercise memo & instructions sent to managers. Disaster update information shared at Alameda Hospital Safety Fair and Health Fair. Regular reports to Safety Committee.

V. Goals for 2011

- A. Increase number of Tabletop drills/exercises.
- B. Provide more internal drills (Code Yellow, Code Orange, etc.) on evenings and nights.
- C. Provide Disaster Preparedness Review for Nursing Supervisors – reinforcement of key aspects of their role.
- D. Increase communication to staff:
 - Share information at unit staff meetings
 - Share information at nursing forums
 - Share information at nursing reorientation day inservices as appropriate.
 - Share information via clinical newsletter
- E. Meet requirements for HPP Grant for Health Care Facilities

**Alameda Hospital
 Medical Equipment Management Plan
 Annual Evaluation Report
 2010**

Objectives:

The objectives of the Medical Equipment Management Plan are designed to provide an Environment of Care that is safe for patients, staff and visitors of the medical center. Specific objectives for 2010 were:

- Develop and implement a proactive effort to close the loop in “equipment not located” for inspection by communicating to the department managers a list of equipment not found. IN PROGRESS
- Develop and implement a system of capturing all incoming medical devices for electrical safety and performance testing as it relates to the effectiveness of Biomedical Engineering Department. IN PROGRESS

Scope:

The scope of the Medical Equipment Management Plan is to test and ensure the operating safety of all clinical equipment utilized in the hospital according to requirements set forth by The Joint Commission (TJC), Occupational Safety and Health Act (OSHA), Nation Fire Prevention Association (NFPA), College of American Pathology (CAP), state law, and the equipment manufacturer.

Performance:

Performance of the Medical Equipment Management Plan included the below measurable Performance Indicators during 2010:

Performance Indicator	Compliance Rate
<ul style="list-style-type: none"> • Measure the completion rates of Planned Maintenance for medical devices 	97%
<ul style="list-style-type: none"> • Measure the Corrective Maintenance for medical devices 	95%

Effectiveness:

The effectiveness of the Medical Equipment Management Plan and the 2010 Opportunities for Improvement were reviewed and found to be successful in contributing to the overall safety of the Environment of Care and patient safety. Specifically:

- The development and implementation of the proactive communication with departmental managers on ways of helping to minimize the “could not locate” equipments.
- The development and implementation of educating department managers and charge nurses on the need to capture all incoming medical devices for electrical safety and performance testing to prevent any possible safety issues.
- Focus on prioritizing service request to eliminate longer turn around time of medical devices which resulted in timely availability of medical equipments for patient use.

Summary of Activities:

- Met the Medical Equipment Management Plan set forth in the 2009 Annual Report.
- Met the Medical Equipment Management Plan Opportunities for Improvement identified in the 2009 Annual Report.
- Met an acceptable 95% compliance rate for most Performance Indicators. In progress

Planning Objectives/Opportunities for Improvement for 2011

- Continue to focus on PM compliance and improve our percentage for 2011.
- Continue to improve communications between hospital staff and the clinical Engineering Department on equipment status.
- Continue to close the loop in equipment not located for inspection by communicating to department managers a list of equipment not found
- Continue to maintain an accurate inventory by including Temporary Equipment (Rental, Demo, Leased, Patient Owned) within the clinical Engineering computer database.

**Alameda Hospital
2010 Annual Evaluation of the Environment of Care Program
Utilities Management**

I. Summary of Effectiveness

The utility program continues to be diligent and successful with an active Safety Committee and support from Administration.

- A. All preventative maintenance (PM's) completed
- B. Extensive unplanned issues (see below) were evaluated and projects were developed to address the problems.

II. Scope

Alameda Hospital strives to maintain a Utilities System program which promotes a safe, controlled and comfortable environment of care for the benefit of patients, staff and visitors. Management of the Program is the responsibility of the Engineering Department.

It includes continuous monitoring, regular preventive maintenance, inspections, repairs, testing and corrective work orders. These activities continuously evaluate risks associated with utility systems and equipment and determine which factors, if any, need monitoring to assure proper performance. Services offered and sites covered by the plan remain essentially the same.

III. Objectives and Goals for 2010

Overall Goals:

- Assess and minimize the risks of utility failures
- Reduce the potential for hospital-acquired illness
- Ensure the operational reliability of utility systems through PM's

2010 Specific Objectives and Goals	Status
1. Main Electrical Distribution - Inspection and PM testing	1. 100%

IV. Performance Indicators 2010:

- A. Complete Preventative Building Maintenance: 100% complete
- B. Service all work order request and incident reports: 98% complete
- C. Projects:
 - PACS and Bone Densitometer Bed 100% complete
 - RediNet 95% complete
 - Roofing Repairs 95% complete

Alameda Hospital
2010 Annual Evaluation of the Environment of Care Program
Utilities Management

V. New Unplanned Issues in 2010

New unplanned issues addressed by the Safety Committee in 2010 include:

- A. Kitchen and SB1953 Planning
- B. Heating Boiler Replacement Mandate by 01/01/12
- C. A/C Compressor Replacement (2)
- D. 2 New Surgery Lights

VI. Objectives and Goals for 2011

- A. Complete Installation of New X-Ray Equipment
- B. Obtain funding for some of the new equipment – See attached list

VII. Performance Indicators for 2011

- A. Building Maintenance Program
- B. Work Orders
- C. Projects completed

CAPITAL PROJECTS FOR 2011

Equipment Needs	Est. Cost	Mandated	Priority 1-14	Urgency 1-4
Heating Boilers replacement per code by 2012	\$300,000.00	By 01/01/12	1	1
Bulk o2 Main and Reserve	\$340,000.00		2	1
Generator Radiator project	\$200,000.00		3	1
Main Electrical Distribution replacement	\$375,000.00		4	1
Telemetry, CCU monitors	\$250,000.00		5	2
Surgery hot and cold deck replacement	\$140,000.00		6	3
Nurse Call – 3-South	\$100,000.00		7	4
Surgery Sterilizer	\$150,000.00		8	3
Surgery Air Handler supply dampers replace	\$30,000.00		9	4
South Air Handler Damper replacement	\$60,000.00		10	4
West Air Handler supply dampers replace	\$30,000.00		11	4
Humidfication for Surgery and CCU	\$60,000.00		12	3
Nitrous Manifolds and Racks replace	\$75,000.00		13	3
Honeywell Fire Panel replacement	\$45,000.00		14	3
TOTAL COST:	\$2,150,000.00			

OTHER:

Patient Room Floor replacement: 5,000ea x 40	Est. \$200,000.00
3-West Carpet	Est. \$ 75,000.00
East Elevator upgrade	Est. \$300,000.00
2-South Lobby facelift	Est. \$200,000.00

Alameda Hospital
2010 Annual Evaluation of the Environment of Care Program
Fire/Life Safety Management

I. Summary of Effectiveness

The Fire/Life Safety Program continues to be diligent and successful with an active Safety Committee, Fire subcommittee, Safety Officer and support from Administration.

- All fire safety exercises were conducted and evaluated with minimal intervention. In-service provided as needed. The need for Interim Life Safety Measures (ILSM) was appropriately evaluated and activated if determined necessary. No fire watches were required.

II. Scope

The scope of the Fire (and Life) Safety Plan addresses the protection of patients, staff, physicians, visitors and property from fire, smoke and other products of combustion by following established operational plans and systems. Alameda Hospital strives to meet the Life Safety Code (NFPA-101), The Joint Commission, State and Local regulations. The Plan is administered by the Safety Committee, Fire Safety subcommittee, Safety Officer and Engineering Director. Sites, services and hours of operation have not materially changed.

III. Objectives and Goals for 2010

1. Change to new monitor sheet.

2010 Specific Objectives and Goals	Status
1. Change to new monitor sheet	Completed

IV. Performance

Performance Indicators included:

- A. A system was developed to score/rate the performance at the fire site during an exercise and track outcome.

Overall rating for this year was:

- for night
- for days
- for PM

- B. Increase staff knowledge each quarter:
 - Questions 5 – Are hallways cleared?
 - Question 6 – Are stairwell doors kept closed?

Alameda Hospital
2010 Annual Evaluation of the Environment of Care Program
Fire/Life Safety Management

C. Life Safety and 3&5, Associate Knowledge target 95%,
Life Safety was
Associate was

V. New Unplanned Issues in 2010

1. State questioned are sprinkler test frequency twice a year and informed us to it.

VI. Objectives and Goals for 2011

1. Sprinkler testing to increase to quarterly.

VII. Performance Indicators for 2011

1. Track and evaluate scoring of performance at the fire site during exercises.

2. Reinforce staff knowledge each quarter with regard to Life Safety question #3 – Are doors closed by dept/ unit staff? and question #5 – Are hallways cleared?; and Associate Knowledge question #2 – Where fire extinguisher are located? and question #4 – Where oxygen shut-offs are located? , with a goal of 95% compliance.

3. Verify quarterly sprinkler testing

To: Alameda Hospital Safety Committee
From: Karen Hopkins, Benefits Coordinator
Date: November 15, 2010
Subject: 2010 Annual Evaluation – Employee Safety

SUMMARY OF EFFECTIVENESS:

- **32% Decrease in work-related injuries/illnesses - 2010 compared to 2009.**
 - In 2009 there were 94 injuries reported - 50 of these were First Aid Only, leaving 44 reported to our WC carrier.
 - In 2010, as of 11/15/10 we have had 63 injuries reported – with 45 of these being First Aid Only. Only 18 reported to our carrier.

- Decrease attributed to:
 - Management Response - timely and appropriate.
 - Body Mechanics Training
 - Work Space Evaluation
 - Lift Training Refreshers
 - Scabies Re-education

GOALS FOR 2011:

- Improve reporting process for work-related injuries
 - Management Training – Management Team Meeting
 - Employee Training – Orientation
 - Refine Forms/Packets
- Promote Ergonomic Program
 - Presentation - Ergonomic Review and benefits of at Management Team Meeting
 - Encourage ergonomic reviews for all new hires with work stations.
- Encourage Employee Wellness
 - Improve accessibility of EAP program & benefits
 - 24-hour availability
 - Monthly on-line Newsletter
 - Help with personal & work-related stresses and anxieties to include: stress & anxiety, depression, grief & loss, anger management, alcohol & drug dependency, financial & legal services.

Alameda Hospital
2010 Annual Evaluation of the Environment of Care Program
Hazardous Materials and Waste Management

I. Scope

The scope of the Hazmat Committee is to ensure that hazardous materials and hazardous wastes are managed appropriately and that all employees are notified and trained in the safe use and disposal of these materials as it pertains to their job. Applicable personnel receive training in the proper management of all forms of wastes generated. The Plan is administered by the Hazardous Materials/Waste Management Subcommittee and Safety Officer under the direction of the Safety Committee. Services offered and sites covered by the Plan remain essentially the same.

II. Summary of Effectiveness for 2010 Objectives and Goals

2010 Goals	Effectiveness
1. Define Hazardous Spill teams	100% Complete
2. New Training for spill teams	100% Complete
Continue to look for published information	Ongoing
Track new MSDS	Ongoing; tracked # of new chemicals
Inventory spill kits throughout facility	100% consolidated spill kits as needed throughout facility

III. 2010 Quality Performance Indicators

Quality Indicator	Performance and Goals	Evaluation and Effectiveness
New training completed	100%	Completed
Number of new MSDS	100%	12 new MSDS's
Major Hazard Spills	100%	No spills in 2010
# of Nurses trained		

IV. Objectives and Goals for 2011

1. Continue to look for published information
2. Continue to track new MSDS
3. Continue training
4. Code Orange Drills – twice / year (1 major – 1 minor)
5. Spill Kit Inventory

V. Performance Indicators for 2011

1. Major Hazardous Spills
2. Number of new MSDS sent to committee
3. New training completed
4. # of Nurses' trained

VI. Unplanned Issues for 2010

1. No Issues



MEMORANDUM

TO: Kerry Easthope, Assistant Administrator

FROM: Tony Corica, Director of Physicians Relations

DATE: January 3, 2011

SUBJECT: Framework for security incident reporting and summary of reportable security incident for 2010

In order to assure a safe environment for patients, personnel, and visitors, Alameda Hospital has an integrated security program that encourages employee/visitor vigilance in reporting any situations that pose a threat to life, health and/or property. These reports may be generated via communication with Administration or any employee or visitor, via the Security Officer's Daily Activity Report or a number of other sources. Reportable incidents, including theft, exterior building/parking lot/property damage and problems with loiterers/visitors/patients, etc., are communicated to the Safety Committee on a bi-monthly basis.

Summary of the reportable security incidents for 2010 is shown below. No employees sustained an injury due to a security incident in 2010.

2010 SUMMARY OF SECURITY INCIDENTS

	Reported Theft of Hospital Equipment	Thefts from individuals	Reported exterior building graffiti parking lot damage to property	Reported problems w/visitors/loitering public/patients/employees	Total # of reportable security incidents
2010 Total	1	2	0	2	5
Nov-Dec 10	1				1
Sept.- Oct 10					0
July – Aug 10		1			1
May – June 10					0
Mar – Apr 10				2	2
Jan – Feb 10		1			1

Cc: Tom Jones, Gina Arnone

Alameda Hospital
2010 Annual Evaluation of the Environment of Care Program
Security Management

1. Summary of Effectiveness

The Safety Program continues to be diligent and successful with an active Security Committee and support from Administration.

- A. Security officers' post orders were reviewed to ensure they meet current needs.
- B. The Hospital began a "stacked parking" program in October, 2003 after an in-depth evaluation of the effective means to meet the growing demand for parking spaces with no ability to expand. In 2005, an additional attendant was added. Parking attendants are on the campus Monday – Friday, 8:00am – 4:00pm. This program has provided an additional physical presence that enhances our security.
- C. A comprehensive security risk assessment was performed by Securitas Services in October, 2010. It showed that the area surrounding Alameda Hospital has a very low rating for potentials security incidents.
- D. The Security Management Plan and Program was reviewed. The low number of security incidents continued in 2010.
- E. There were a total of 5 reportable security incidents in 2010. This is the lowest total in the eleven years these records have been kept. No employees sustained an injury due to these incidents. Please see Section V., New Unplanned Issues Addressed in 2010, Article B, for the actions taken.

11. Scope

The scope of the Security Management Plan addresses security issues for patients, visitors, personnel, volunteers, physicians, and property. A close working relationship is maintained with Alameda Police Department. Hospital personnel, including the PBX Operator, are trained on how to summon help for emergency and non-emergency situations. Standardized codes facilitate widespread communication and trained security officers provide additional service. All incident reports are reviewed within 72 hours by the Security Subcommittee Chair. The Plan is administered by the Subcommittee Chair, Safety Committee, and Safety Officer.

The scope changed in late 2003 with the addition of stacked parking attendants and standardization of emergency codes to facilitate emergency communications. Those security enhancements were communicated and maintained during 2010. The Security Management Program was reviewed by Joint Commission Surveyors in May, 2010. No recommendations were made following their review.

111. Objectives and Goals for 2010

Overall Goals:

- A safe and secure environment for all persons associated with the facility,
- A facility equipped to meet the security needs of employees, patients, visitors, physicians, and volunteers.
- Compliance with state regulations, security standards and policies, procedures, and practices of the Hospital.

2010 Specific Objective and Goals

Status

1. Continue compliance with AB508	A comprehensive risk assessment conducted in October 2010 showed a low threat level. There were only 5 reportable incidents in 2010.
2. Provide bi-monthly reports to Safety Committee supporting the Information Collection and Evaluation System (I.C.E.S.)	All reports completed and discussed at Safety Committee.
3. Increase employee security awareness with articles in the "Pulse," and the Hospital web site, and training in Orientation/ Mandatory Annual Training.	All these activities were completed.
4. Reduce total reportable security incidents by 5%.	Total reportable incidents decreased from 12 in 2009 to 5 in 2010. The indicator was met, security incidents remain low and no injuries by staff were sustained.
5. Reduce "Reported Problems with visitors loitering public/patients" by 5%.	These problems decreased from 6 to 2 in 2010. Standard was met. See V.B for actions taken.

IV. Performance

Performance indicators included the following (*Refer to attached graphs*).

<p>A. Decrease in total reportable incidents:</p> <p>2000 – 27 incidents 2001 - 14 incidents 2002 - 10 incidents 2003 - 11 incidents 2004 - 10 incidents 2005 - 6 incidents 2006 - 10 incidents 2007 - 9 incidents 2008 - 11 incidents 2009 - 12 incidents 2010 - 5 incidents</p>	<p>C. Decrease in theft from individuals:</p> <p>2000 – 5 incidents 2001 – 1 incident 2002 – 3 incidents 2003 – 1 incident 2004 – 4 incidents 2005 – 3 incidents 2006 - 2 incidents 2007 – 1 incident 2008 - 3 incidents 2009 - 6 incidents 2010 - 2 incidents</p>
<p>B. Decrease in problems with visitors, public, or patients:</p> <p>2000 - 20 incidents 2001 - 13 incidents 2002 - 7 incidents 2003 - 6 incidents 2004 - 4 incidents 2005 - 2 incidents 2006 - 3 incidents 2007 - 6 incidents 2008 - 8 incidents 2009 - 6 incidents 2010 - 2 incidents</p>	<p>D. Increase in theft of hospital equipment:</p> <p>2000 - 0 incidents 2001 - 0 incidents 2002 - 0 incidents 2003 - 3 incidents 2004 - 1 incident 2005 - 1 incident 2006 - 0 incidents 2007 - 1 incident 2008 - 0 incidents 2009 - 0 incidents 2010 - 1 incident</p>

<p>E. No Exterior/Lot Damage</p> <p>2000 – 1 incident</p> <p>2001 – 0 incidents</p> <p>2002 – 0 incidents</p> <p>2003 – 1 incident</p> <p>2004 – 1 incident</p> <p>2005 – 0 incidents</p> <p>2006 – 5 incidents</p> <p>2007 – 1 incident</p> <p>2008 – 0 incidents</p> <p>2009 – 0 incidents</p> <p>2010 – 0 incidents</p>	
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V. New Unplanned Issues Addressed in 2010

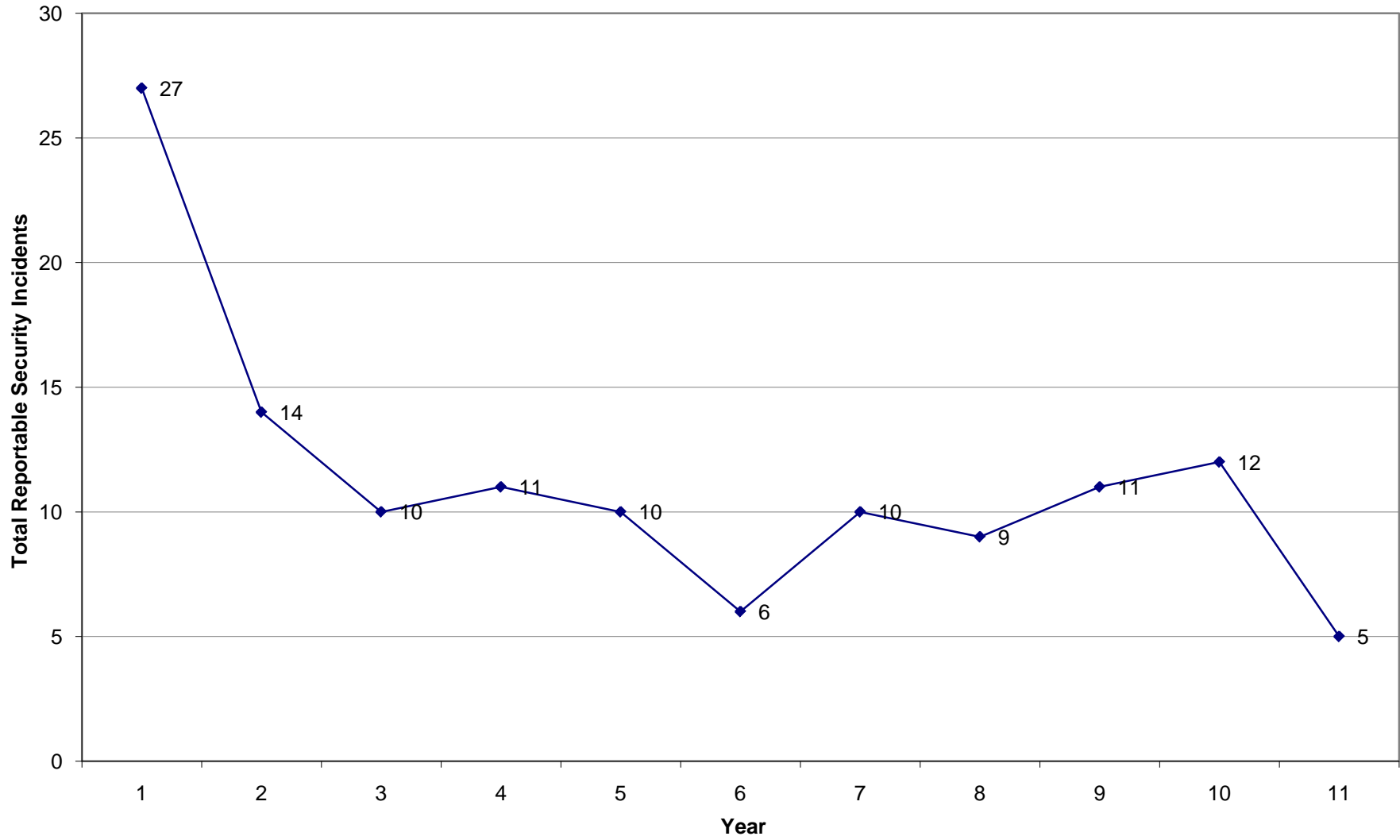
New unplanned issues addressed by the Safety Committee in 2010 include:

- A. Several reported cases of personnel falsely representing themselves as Joint Commission (JC) representatives were reported to Hospitals. This was discussed at Management Staff meetings. All managers were instructed to contact Hospital Administration and Security should JC representatives appear. Photo identification would then be required and a call to the JC office to verify that an inspection had been authorized would be made before the inspection was begun. Hospital escorts (Administration or designee) would then accompany the surveyors.
- B. The continued decrease in the “Reported Problems with visitors, loitering public, and patients” may have been in part to the following actions being taken:
 1. Security Officer coverage has been extended from 7:00am to 7:30am.
 2. Additional Detex system buttons have been installed in the parking lot. Regular security rounds of the Hospital now include the rear parking lot to the light standard near the lagoon to the parking office kiosk, as well as all floors within the Hospital;
 3. Security Officers will be stationed in the main parking lot from 5:30am – 7:30am;
 4. Alameda Police Department has agreed to more frequently patrol our parking area, and;
 5. Employees were asked to be increasingly vigilant regarding suspicious activity in the Parking Lot;
 6. Keypad locks installed on the entry doors at 4-East and 5-East, and at the 1-West rear perimeter entry.
- C. All elevators in the Hospital are now checked by the Security Office during their regular rounds by physically calling the individual cars to ensure they are in working order.
- D. After meeting with a Radiology outpatient, a new procedure of putting patient valuables in a clear plastic bag that is hung in the view of the patient was instituted in Diagnostic Imaging to better assure patients that their valuables are intact.
- E. Following the disappearance of the Toys for Tots barrel from 1-South, signs were placed in the adjacent gift shop to discourage shoplifting.

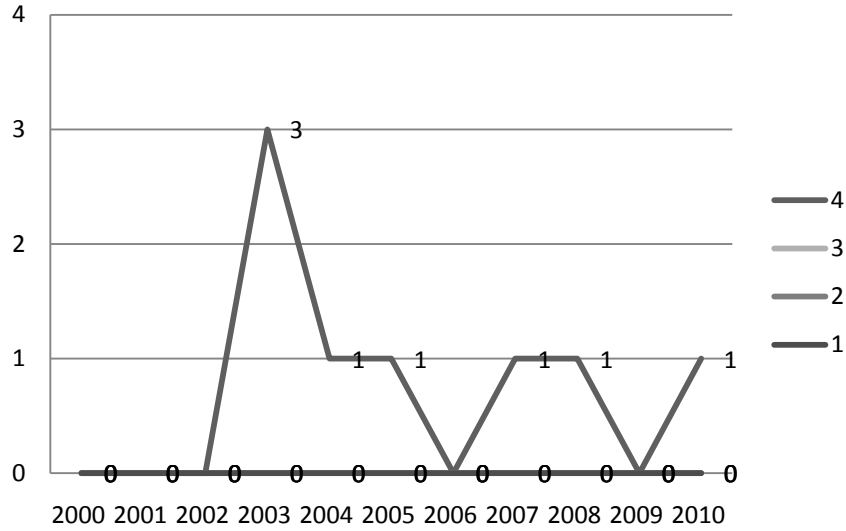
VI. Objectives and Goals for 2011

- A. Consider implementation of the recommendations of the October, 2010 risk assessment (closed circuit TV recording capabilities).
- B. Increase security awareness with staff but utilizing various communication tools (Pulse, Orientation, MAT).
- C. Provide bi-monthly reports to Safety Committee with the objective of effective and timely resolution of security incidents.
- D. See continued improvement in the Performance Indicators identified in IV.

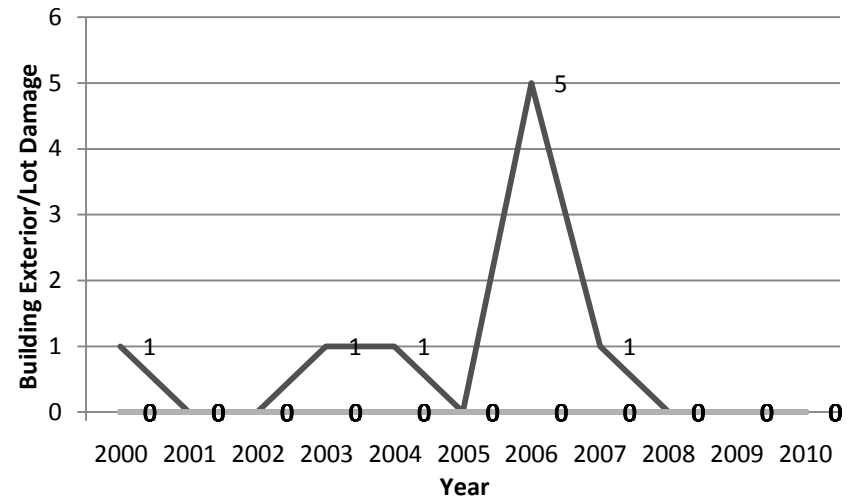
TOTAL REPORTABLE SECURITY INCIDENTS BY YEAR, 2000-2010



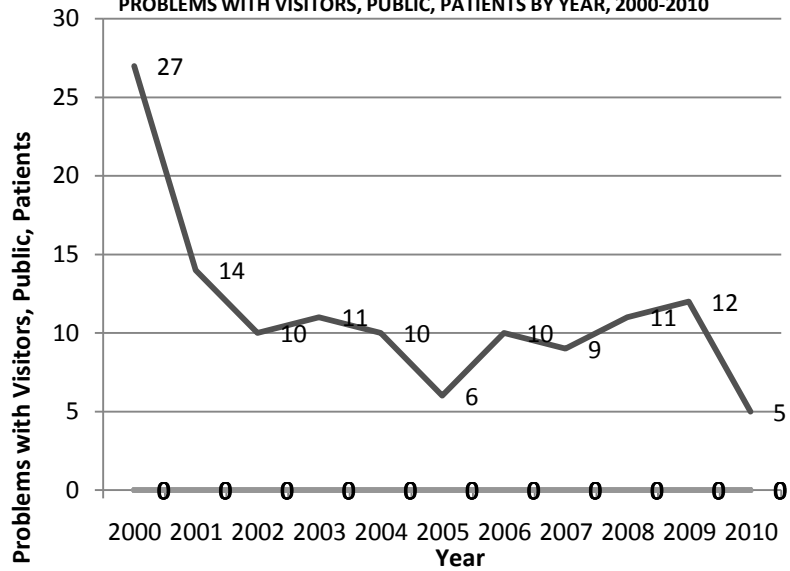
REPORTED THEFT OF HOSPITAL EQUIPMENT BY YEAR, 2000-2010



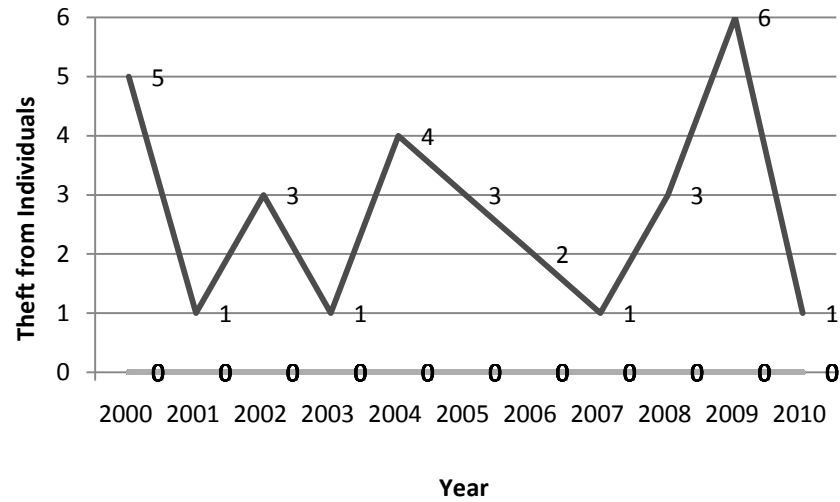
BUILDING EXTERIOR/LOT DAMAGE BY YEAR, 2000-2010



PROBLEMS WITH VISITORS, PUBLIC, PATIENTS BY YEAR, 2000-2010



THEFT FROM INDIVIDUALS BY YEAR, 2000-2010



Date: March 24, 2010

To: Kerry Easthope, Chairman of the Safety Committee
Safety Committee Members

From: Mary Bond, Executive Director for Nursing Services

Subject: 2010 Education Report

The Educational component of employment at Alameda Hospital continues to support the Hospital's Mission Statement:

“To attract and retain outstanding employees, to foster an environment where employees gain a sense of satisfaction and accomplishment from their work; and to create a safe and pleasant work setting.”

Education at Alameda Hospital continued to remain de-centralized to individual departments in CY 2010 for department specific initiatives and opportunities. Nursing Managers, Supervisors, and staff provided nursing education. Individual department Managers or Directors provided educational material for their staff.

Additionally, hospital-wide education continued in a multi-disciplinary fashion with ad-hoc committee designation and participation.

Executive Team members and all Department Directors/Managers completed their leadership and management training in February 2010. Managers and Directors finished the remaining 5-hour modules. Topics included:

- How to Exceed Customer Expectations
- Recognition: The Key to Higher Performance
- How to Be a Transformational Leader
- How to Become a Stress Buster

All staff continued to receive a monthly “Clinical News and Views” newsletter. Topics in 2010 included:

- HAPU evaluation and care
- Stroke Signs & Symptoms
- Infection Prevention
- Falls
- Clinical Values
- Performance Improvement

Additional nursing educational topics for 2010 included:

- Insulin Pens
- Fentanyl Patches
- Computer Downtime Procedures
- Verbal/Telephone Orders
- Computer Skills
- Stroke

The Peri-Operative Services department continued their weekly educational programs for 25 of the 52 calendar weeks in 2010. Approximately 15 staff attended these ½ hour sessions. Topics included pain pumps, tissue storage and handling, new products, new procedures, use of the Jackson table, and GI techniques and orientation.

Other classes/in-services included instruction in BLS (Basic Life Support), Suicide Observation, Waived Testing, Blood Transfusions, Non-Violent Crisis Intervention, Procedural Sedation, and Central Venous Pressure Monitoring. Additionally off-site training occurred for required certification in ACLS (Advanced Cardiac Life Support) and PALS (Pediatric Advanced Life Support).

Elder and Dependent Adult Abuse as well as Disaster Planning and Preparation continued in 2010 as yearly requirements. All departments continued to remain current for specific competencies. For nursing a total of 276 staff reviewed and updated their skills for a total of slightly less than 900 hours.

The Hospital converted to an on-line web-based program (HCCS) for all annual mandatory training in mid-2010. The sessions now available to Hospital staff through this program include but are not limited to:

- Disaster Preparedness
- Environmental Safety
- Electrical Safety
- Hazard Communication
- Infection Control
- Body Mechanics
- HIPAA
- Ergonomics
- Customer Service
- Hand Hygiene
- Ethics
- Controlling Violence
- Patient Rights
- Fire Safety

This HCCS program takes approximately 2-4 hours to complete. To meet compliance and risk issues (SB198) and to help ensure the competency of our staff, all active employees must complete HCCS on-line or attend a live program and pass competency assessments once a year. The employees are paid for their attendance at all mandatory classes.

Educational summaries for the Nursing division contain more detailed information on the plan, classes, forums, and inservice programs given as well as specific programs provided to our Sub Acute and Skilled Nursing employees. Those summaries are presented as addenda to this compiled report.

Date: January 21, 2011
To: Alameda Hospital Safety Committee
From: Rosemarie Delahaye, RN, Infection Preventionist
Subject: 2010 Annual Evaluation – Blood Borne Pathogen Exposure

Summary of Effectiveness

Number of blood borne pathogen exposures per quarter - 2010

Q-1	1
Q-2	1
Q-3	0
Q-4	0

Intensive reminders and issue addressed by all managers has resulted in two quarters with no blood borne pathogen exposures. Congratulations sent to all the managers who have shared the success with their staff. This issue is addressed actively through use of safety needles throughout the hospital. Reduction from 8 to 2 is excellent progress.

Benchmarks – previous years

2009	8
2008	13
2007	5
2006	9
2005	7

Goals for 2011

Reduce blood borne pathogen exposure by 25% from last year.
Speak at staff meetings about this issue when requested by the manager or director.

THE CITY OF ALAMEDA HEALTH CARE DISTRICT

ALAMEDA HOSPITAL

UNAUDITED FINANCIAL STATEMENTS

FOR THE PERIOD ENDING FEBRUARY 28, 2011

**CITY OF ALAMEDA HEALTH CARE DISTRICT
ALAMEDA HOSPITAL
FEBRUARY 28, 2011**

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Key Statistics for Current Month and Year-to-Date	15
Balance Sheet	16
Statement of Revenue and Expenses	17
Statement of Revenue and Expenses – Per Adjusted Patient Day	18
Statement of Cash Flows	19

ALAMEDA HOSPITAL MANAGEMENT DISCUSSION AND ANALYSIS FEBRUARY, 2011

The management of the Alameda Hospital (the "Hospital") has prepared this discussion and analysis in order to provide an overview of the Hospital's performance for the period ending February 28, 2011 in accordance with the Governmental Accounting Standards Board Statement No. 34, *Basic Financials Statements; Management's Discussion and Analysis for State and Local Governments*. The intent of this document is to provide additional information on the Hospital's financial performance as a whole.

Financial Overview as of February, 2011

- For the eight months ended February 28, 2011, combined expense over revenues (loss) is \$337,000 versus budgeted revenue over expenses (profit) of \$564,000. This \$900,000 unfavorable variance from the fixed operating budget is the result of a year to date unfavorable net patient revenue variance of \$389,000 or 1.0% combined with a year to date unfavorable operating expense variance of \$530,000 or 1.2%. The unfavorable revenue variance has been a result of lower than expected volumes in our inpatient programs (2.8%), lower emergency services visits (6.1%), lower than budgeted surgical volumes (5.1%) and lower than budgeted outpatient visits (10.3%).
- Gross patient revenue for the month of February was less than budget by \$2,307,000 or 10.9%. Both inpatient and outpatient revenues were less than budgeted 10.9% for the month. On adjusted patient day basis gross patient revenue was 5.3% less than budgeted at \$5,285 compared to a budgeted amount of \$5,581 for the month of February.
- Total patient days for the month were 2,380 compared to the prior month's total patient days of 2,652 and the prior year's 2,433 total patient days. The average daily acute care census was 27.8 compared to a budget of 33.9 and an actual average daily census of 31.7 in the prior month; the average daily Sub-Acute census was 33.7 versus a budget of 33.5 and 31.2 in the prior month and the Skilled Nursing program had an average daily census of 23.5 versus a budget of 23.0 and prior month census of 22.7, respectively.
- Emergency Care Center (ECC) visits were 1,337 or 2.6% less than the budgeted 1,372 visits and were 5.6% less than the prior year's visits of 1,417.
- Total surgery cases were less than budgeted expectations for the month at 166 cases versus the budgeted 186 cases. The current month's surgical volume was 9.2% greater than the same month prior year's 152 cases.
- Outpatient registrations were 16.4% below budgeted targets at 1,866 and were 26.1% less than the prior month's 2,524 outpatient visits.
- Combined excess expense over revenues (loss) for February was \$311,000 versus a budgeted excess of expense over revenues (loss) of \$32,000.

Total assets decreased by \$111,000 from the prior month as a result of a decrease in current assets of \$255,000, an increase in net fixed assets of \$133,000 and an increase in restricted contributions of \$11,000. The following items make up the decrease in current assets:

- Total unrestricted cash and cash equivalents for February increased by \$711,000 and days cash on hand including restricted use funds increased to 8.5 days on hand in February from 4.6 days on hand in January.

- Net patient accounts receivable decreased in February by \$937,000 compared to an increase of \$788,000 in January. Day's in outstanding receivables decreased to 59.7 at February 28, 2011 from 64.7 at January 31, 2011. Collections in February totaled \$5.4 million compared to \$4.6 million in January.

Total liabilities increased by \$179,000 compared to an increase of \$237,000 in the prior month. This increase in the current month was the result of the following:

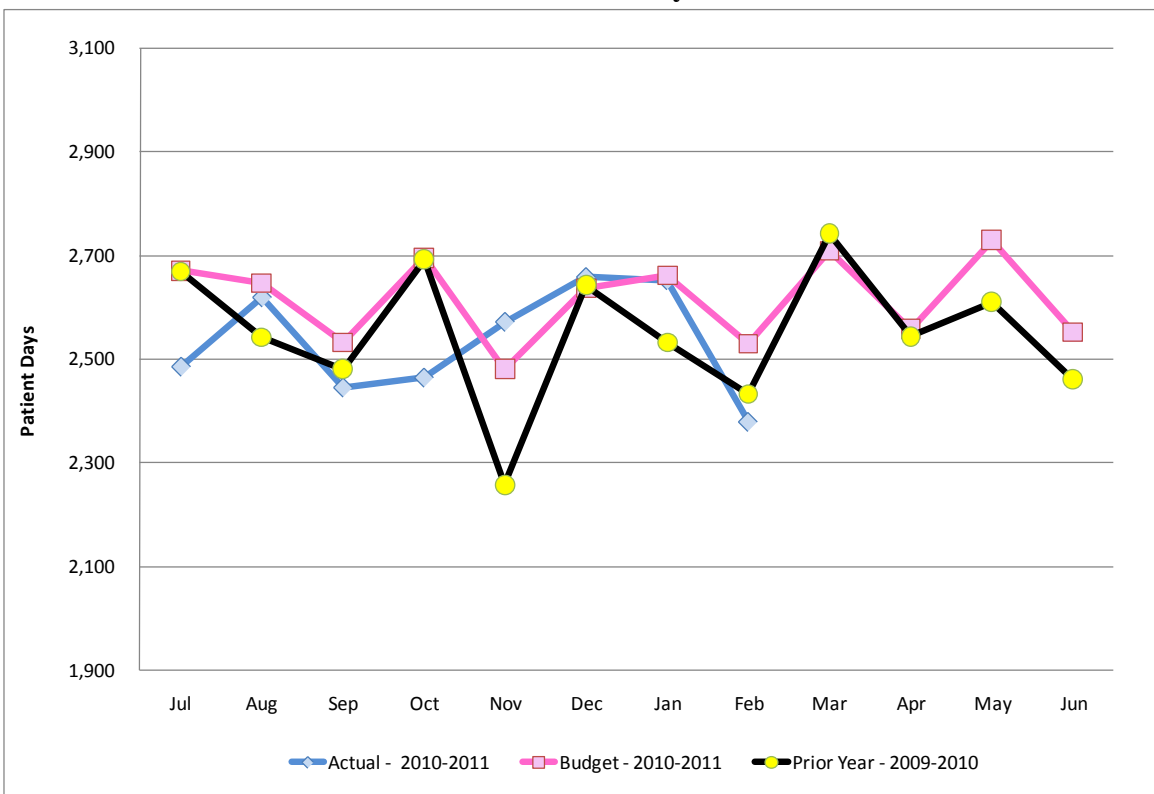
- Accounts payable and accrued expenses increased by \$687,000. As a result of this increase of \$687,000 the average payment period increased in February to 69.4 from 66.0 as of January 31, 2011.
- Deferred revenues decreased by \$478,000 as a result of the amortization of one-twelfth of the annual parcel tax revenues for the 2011 fiscal year.
- Long term debt decreased by \$37,000 as a result of the monthly payment of the note payable to the Bank of Alameda.

Volumes

The combined actual daily census was 85.0 versus a budget of 90.4 or 5.5% or 5.0 patients per day unfavorable variance. The current month's overall unfavorable variance from the budgeted census was the result of an acute care services average daily census that was unfavorable to budget in the acute care areas by 5.7 patients per day or 16.7%. The Sub-Acute and Skilled Nursing programs were favorable to budgeted expectations with an average daily census of 33.7 versus the budgeted 33.5 and 23.5 versus the budgeted average daily census of 23.0, respectively.

The graph below shows the total patient days by month for fiscal year 2011 compared to the operating budget and fiscal year 2010 actual.

Total Patient Days

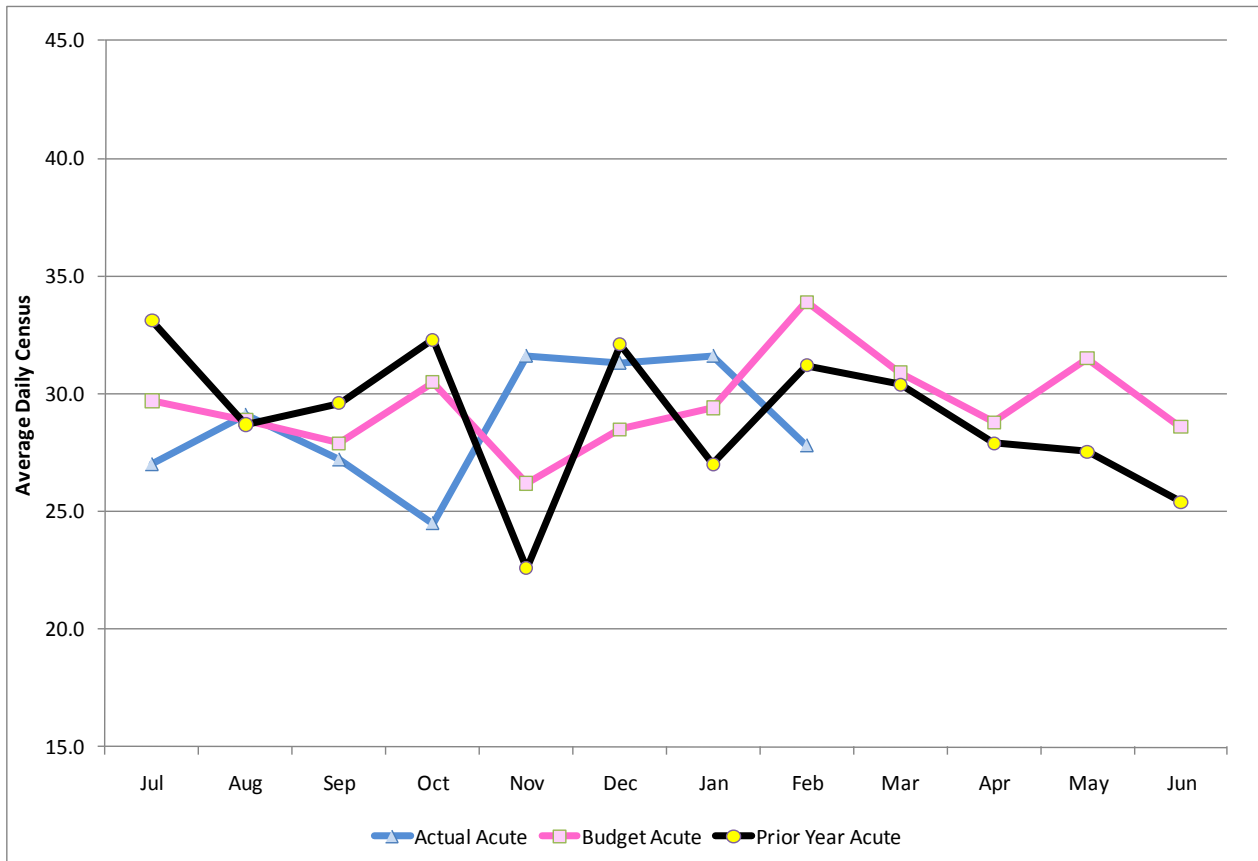


The various inpatient components of our inpatient volumes for the month of February are discussed in the following sections.

Acute Care

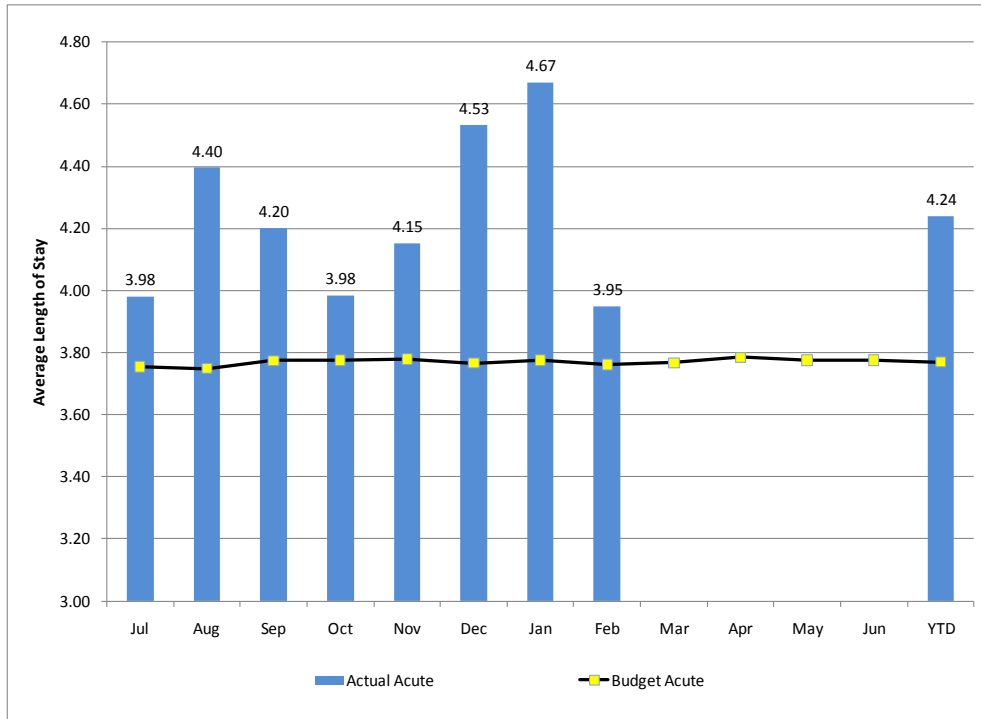
The acute care patient days were 16.7% (170 days) less than budgeted and were on 11.0% less than the prior year’s average daily census of 31.2. The acute care program is comprised of the Critical Care Unit (3.1 ADC, 20.2% unfavorable to budget), Definitive Observation Unit (7.4 ADC, 42.1% unfavorable to budget) and Med/Surg Units (17.3 ADC, 0.6% favorable to budget). The graph below shows the inpatient acute care census by month for the current fiscal year, the operating budget and prior fiscal year actual.

Inpatient Acute Care Average Daily Census



The average length of stay (ALOS) decreased from that of the prior month to 3.95 days for the month of February bringing the year-to-date average to 4.24 versus the budgeted FY 2011 average of 3.77. The graph on the following page shows the ALOS by month and the budgeted ALOS for fiscal year 2011.

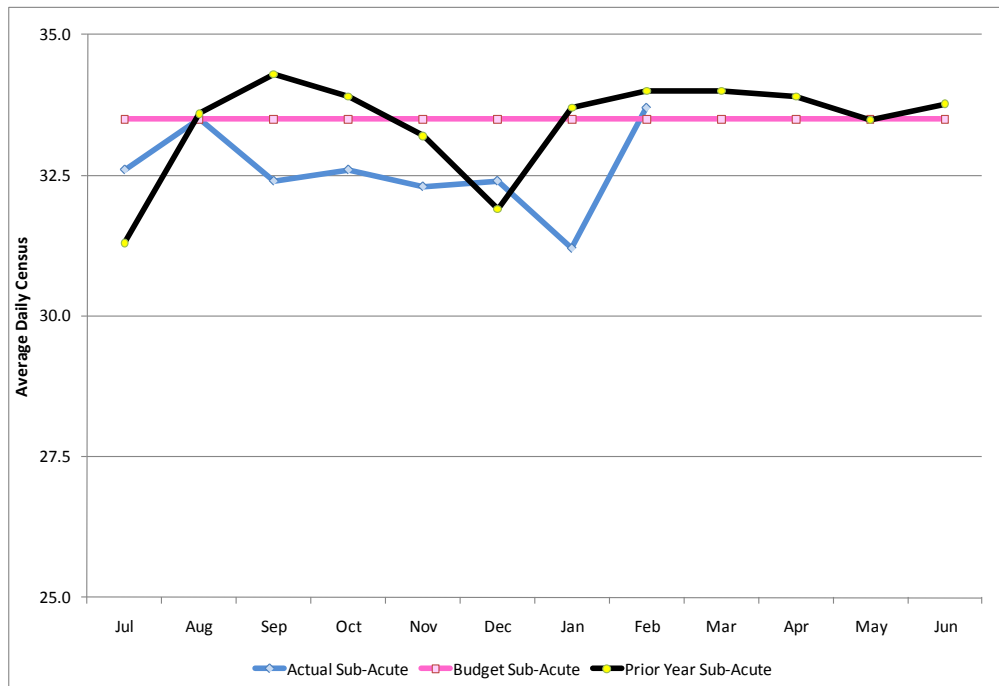
Average Length of Stay



Sub-Acute Care

The Sub-Acute program patient days were greater than budgeted projections with an average daily census of 33.7 for the month of February which was budgeted for an average daily census of 33.5. The graph below shows the Sub-Acute programs average daily census for the current fiscal year as compared to budget and the prior year.

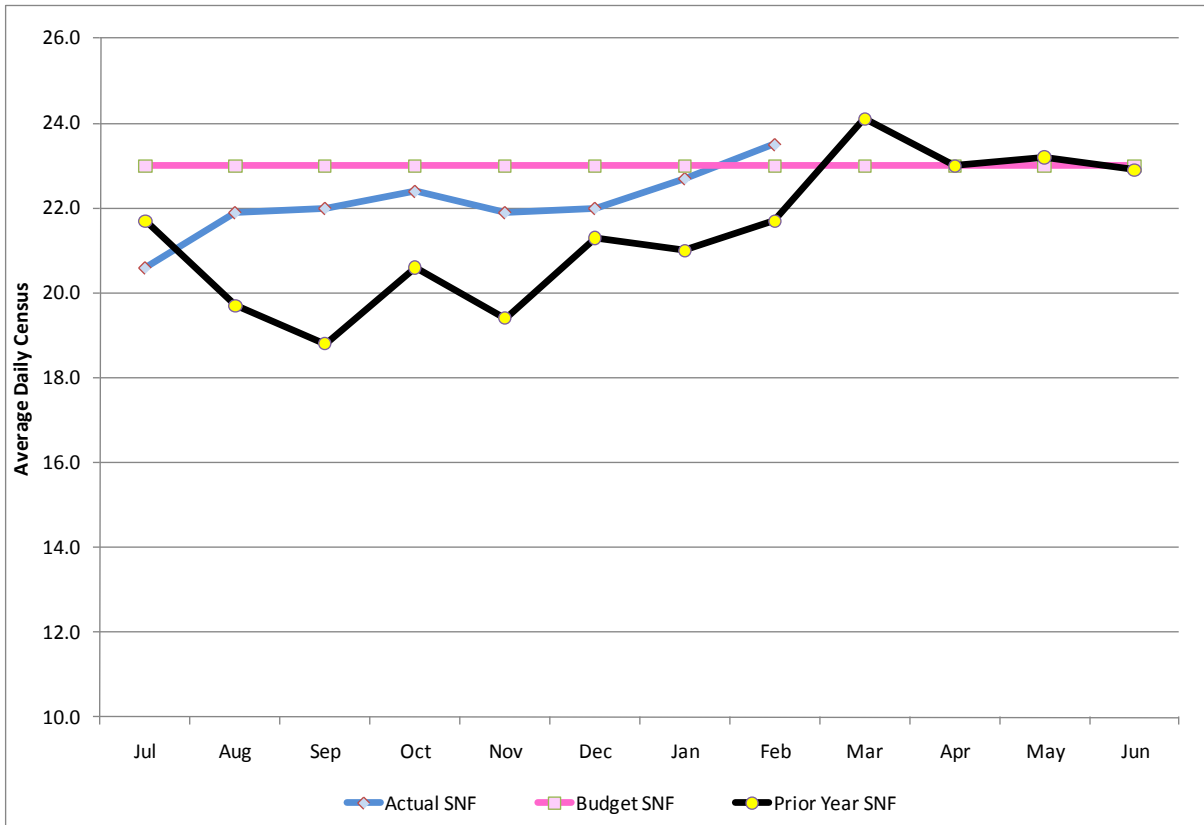
Sub-Acute Care Average Daily Census



Skilled Nursing Care

The Skilled Nursing Unit (South Shore) patient days were 2.3% or 15 patient days greater than budgeted for the month of February. Comparing performance to the prior year this programs volume remains greater than the prior year’s performance for the first eight months of fiscal year 2011 that has had an average daily census of 22.1 versus 20.5 in fiscal year 2010. The following graph shows the Skilled Nursing Unit monthly average daily census as compared to budget and the prior year.

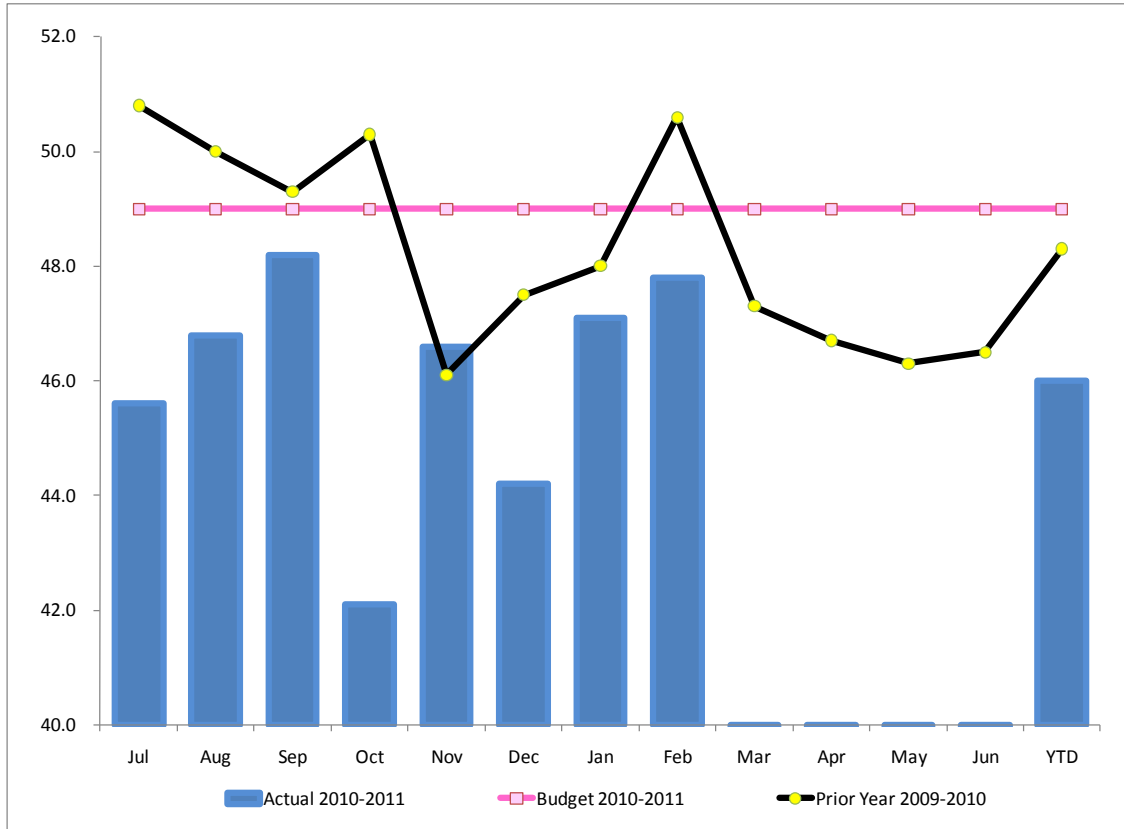
Skilled Nursing Unit Average Daily Census



Emergency Care Center (ECC)

Emergency Care Center visits in February totaled 1,337 and were 2.6% or only 35 visits less than budgeted for the month with 15.6% of these visits resulting in inpatient admissions versus 16.5% in January. In February there were 267 ambulance arrivals versus 262 in the prior month, on a per day basis this represents an increase of 15.9%. Of the 267 ambulance arrivals in the current month 168 or 62.9% were from Alameda Fire Department (AFD) ambulances. The graph on the following page shows the Emergency Care Centers average visits per day for fiscal year 2011 as compared to budget and the prior year performance.

Emergency Care Center Visits per Day

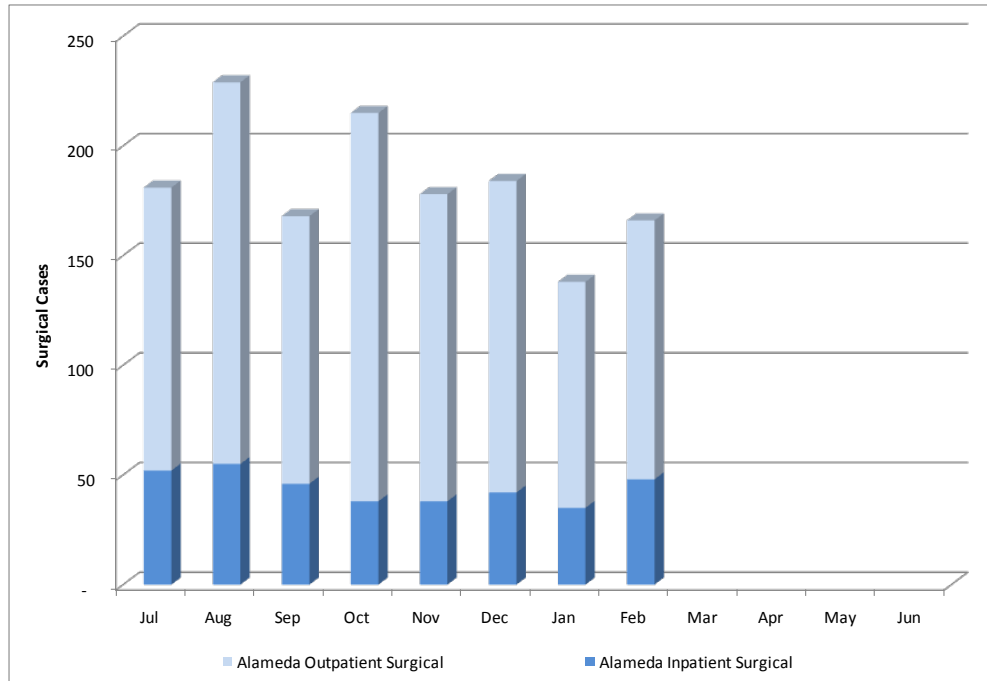


Surgery

Surgery cases were 166 versus the 186 budgeted cases and 152 cases in the prior year. In February, surgery cases increased over the prior month by 20.2%. The increase of 28 cases over the prior month was the result of an increase of 13 and 15 inpatient and outpatient cases, respectively. Inpatient and outpatient cases totaled 48 and 118 versus 35 and 103 in February and January, respectively. The increase in cases from the prior month was driven by increases in General Surgical (16), Gastro Intestinal (10), Orthopedic (5) and Plastic (4) cases offset by decreases in Gynecology (6) and Ophthalmology (3).

The graph on the following page shows the number of inpatient and outpatient surgical cases by month for fiscal year 2011.

Surgical Cases

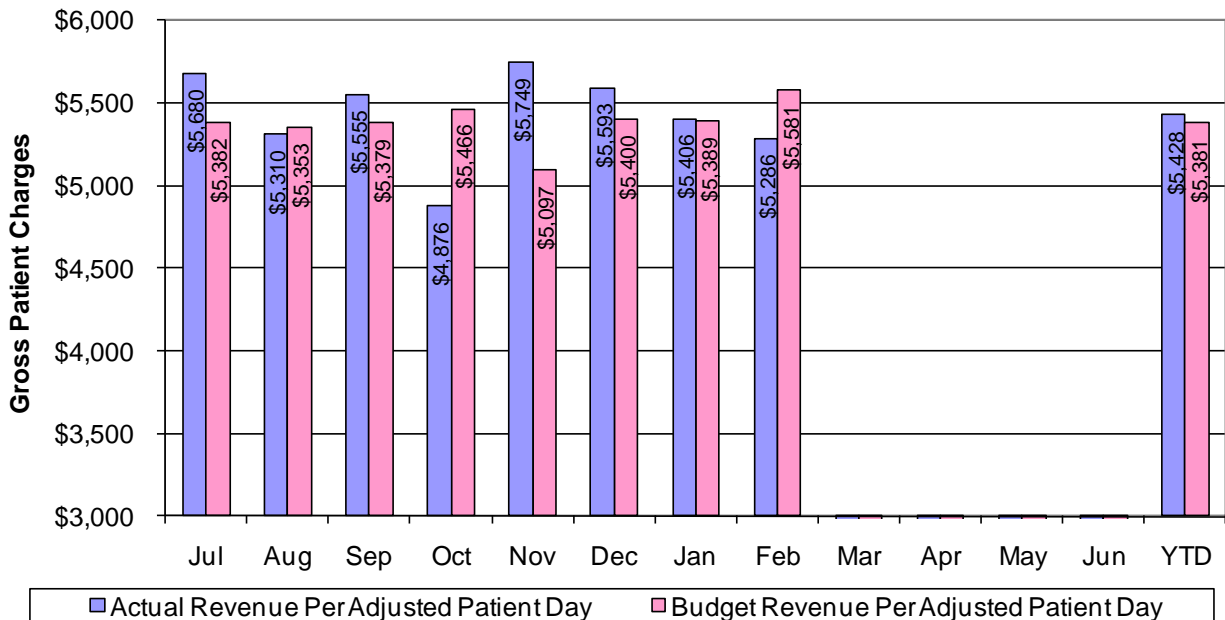


Income Statement

Gross Patient Charges

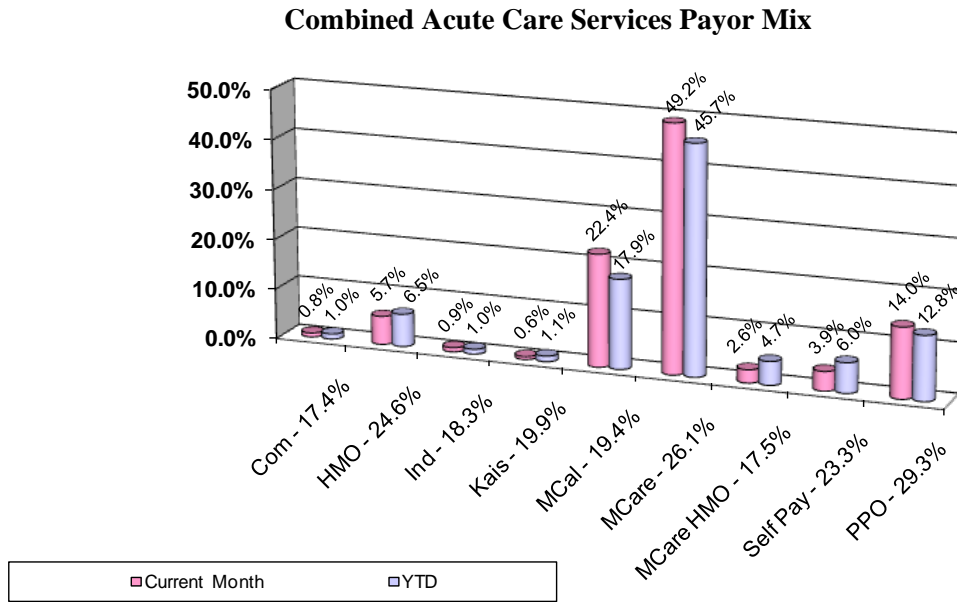
Gross patient charges in February were less than budgeted by \$2,307,000. This unfavorable variance was comprised of an unfavorable variance of \$1,542,000 and \$765,000 in inpatient and outpatient revenues, respectively. On an adjusted patient day basis total patient revenue was \$5,286 versus the budgeted \$5,581 for the month of February. The following table shows the hospitals monthly gross revenue per adjusted patient day by month and year-to-date for fiscal year 2011 compared to budget.

Gross Charges per Adjusted Patient Day



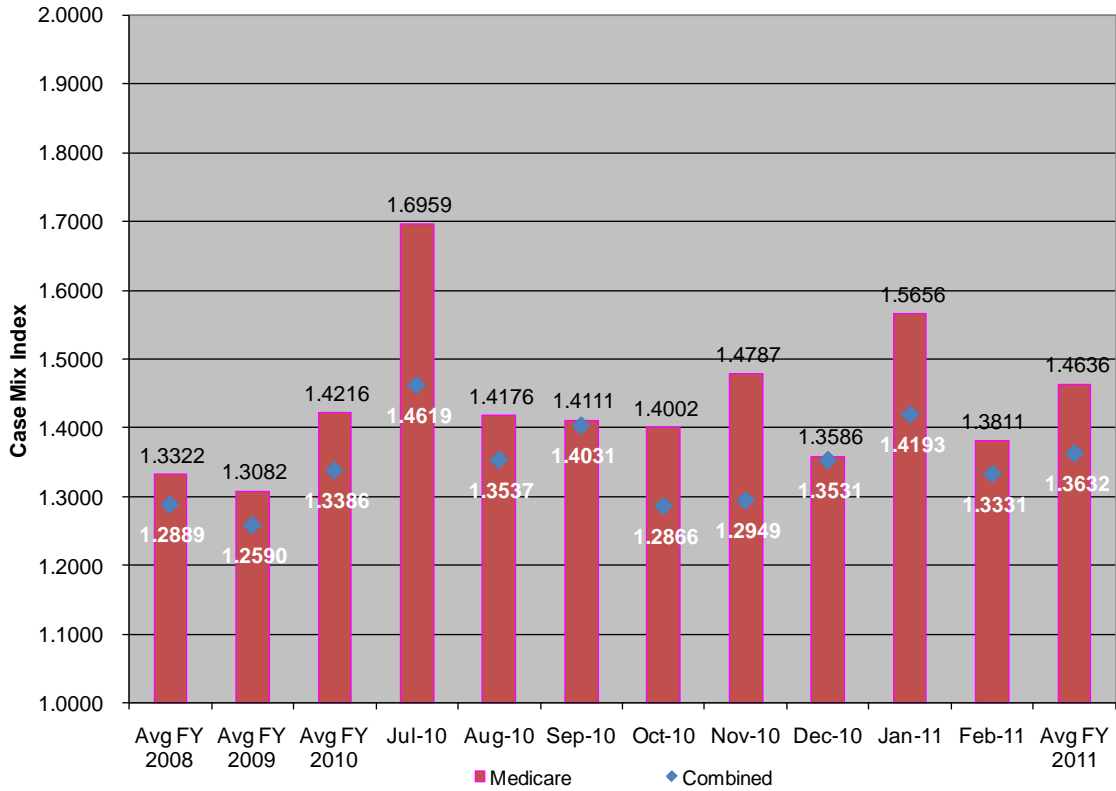
Payor Mix

Combined inpatient and outpatient acute care Medicare and Medicare Advantage total gross revenue in February made up 51.8% of the months total gross patient revenue. Combined Medicare revenue was followed by Medi-Cal Traditional and Medi-Cal HMO utilization at 22.4%, HMO/PPO utilization at 19.7% and self pay at 3.9%. The graph below shows the percentage of gross revenues generated by each of the major payors for the current month and fiscal year to date as well as the current months estimated reimbursement for each payor for the combined inpatient and outpatient acute care services.



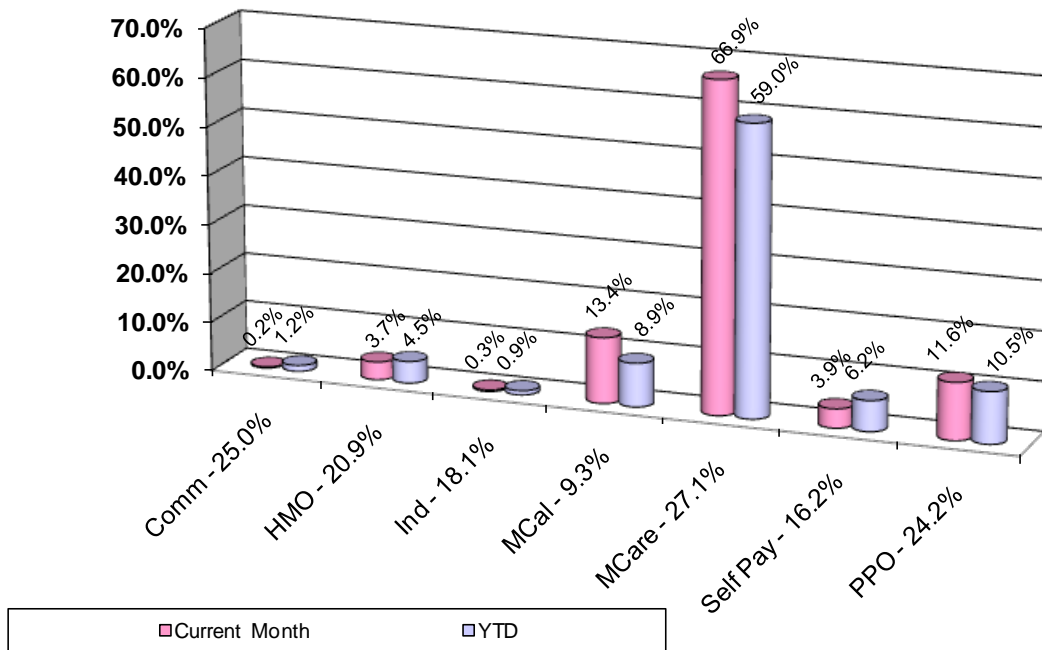
The inpatient acute care current month gross Medicare and Medicare Advantage charges made up 66.9% of our total inpatient acute care gross revenues followed by HMO/PPO at 15.3%, Medi-Cal and Medi-Cal HMO at 13.4% and Self Pay at 3.9% of the inpatient acute care revenue. The hospitals overall Case Mix Index (CMI) decreased to 1.3331 from 1.4193 in the prior month and the Medicare CMI decreased over the prior month from 1.5656 in January to 1.3811 in February. In February there was again one (1) outlier case in the month. The estimated Medicare reimbursement increased to 27.1% in February versus 24.6% in January. The graph on the following page shows the CMI for the hospital during the current fiscal year as compared to the prior three fiscal years.

Case Mix Index Comparison

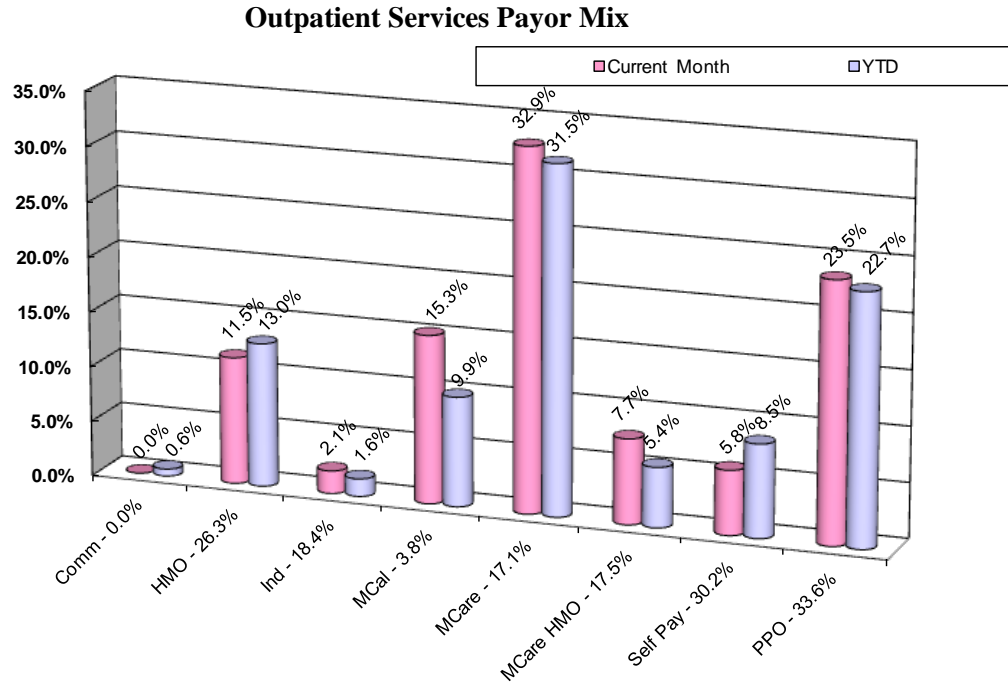


The overall net inpatient revenue percentage decreased from the prior month to 23.7% in February versus 24.9% in January. The graph below shows inpatient acute care current month and year to date payor mix and current month estimated net revenue percentages for fiscal year 2011.

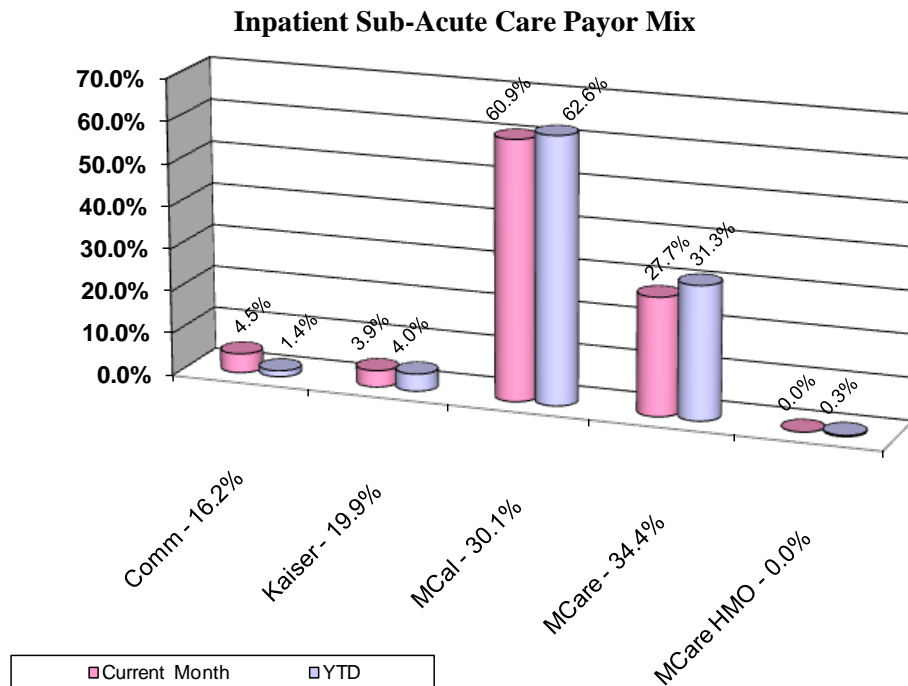
Inpatient Acute Care Payor Mix



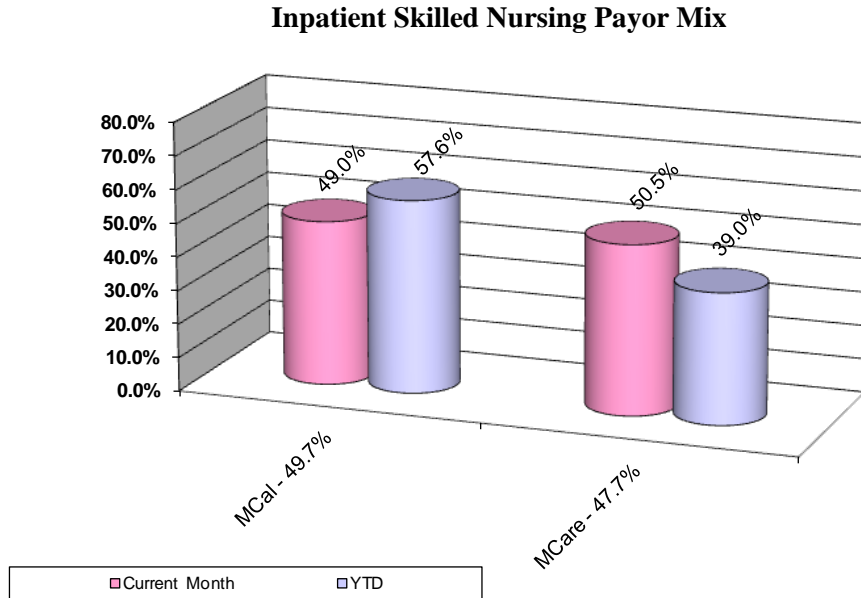
The outpatient gross revenue payor mix for February was comprised of 40.6% Medicare and Medicare Advantage, 35.0% HMO/PPO, 15.3% Medi-Cal and Medi-Cal HMO, and 5.8% self pay. The graph below shows the current month and fiscal year to date outpatient payor mix and the current months estimated level of reimbursement for each payor.



In February the Sub-Acute care program again was dominated by Medi-Cal utilization of 60.9% versus 56.1% in January. The graph below shows the payor mix for the current month and fiscal year to date and the current months estimated reimbursement rate for each payor.



In February the Skilled Nursing program was again comprised primarily of Medi-Cal at 49.0% and Medicare at 50.5%. The graph below shows the current month and fiscal year to date skilled nursing payor mix and the current months estimated level of reimbursement for each payor.



Deductions from Revenue

Contractual allowances are computed as deductions from gross patient revenues based on the difference between gross patient charges and the contractually agreed upon rates of reimbursement with third party government-based programs such as Medicare, Medi-Cal and other third party payors such as Blue Cross. In the month of February contractual allowances, bad debt and charity adjustments (as a percentage of gross patient charges) were 75.7% versus the budgeted 75.4%.

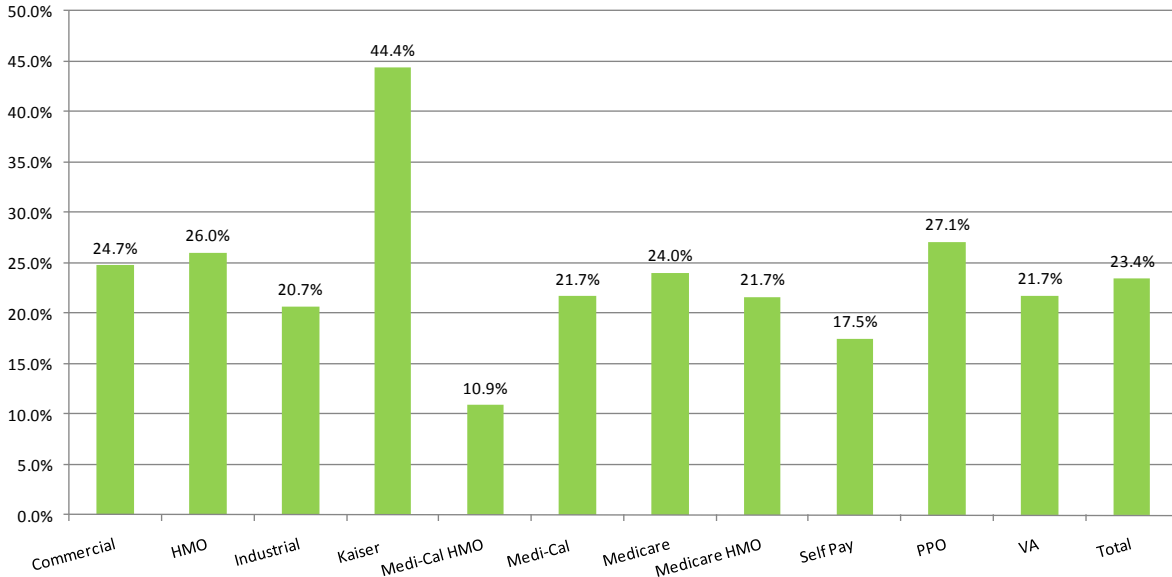
Net Patient Service Revenue

Net patient service revenues are the resulting difference between gross patient charges and the deductions from revenue. This difference reflects what the anticipated cash payments the Hospital is expecting to receive for the services provided. In addition, included in year to date net patient service revenue are the estimated amounts to be received from participation in the State of California’s FY 2011 Intergovernmental Transfer (IGT) Program, \$180,000 per month and \$1,080,000 for the six month ended December 31, 2010. As a result of changes that are now anticipated to occur which includes the inclusion of all forty-six (46) California district hospitals in the fiscal year 2011 IGT program no additional accruals will be made for the remainder of FY 2011 as it is estimated that the amount accrued to date will approximate the ultimate amount to be received in fiscal year 2011.

Also included in February, based upon the notification of the new long term care program Medi-Cal rates (Sub-Acute and SNF) for fiscal year 2011 an accrual of \$125,000 was included in the month to reflect the estimated retroactive amounts to be received in March 2011 for services rendered to Medi-Cal beneficiaries in these long-term care programs on or after August 1, 2010.

The graph on the following page shows the level of reimbursement that the Hospital has estimated for fiscal year 2011 by major payor category.

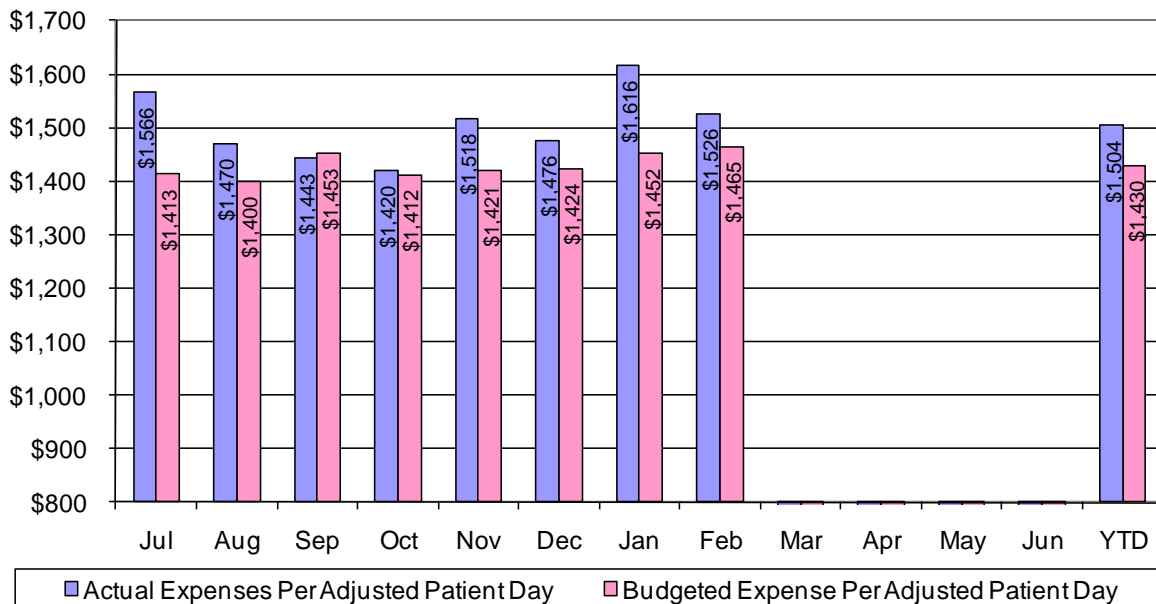
**Average Reimbursement % by Payor
February
FY 2011 Year-to-Date**



Total Operating Expenses

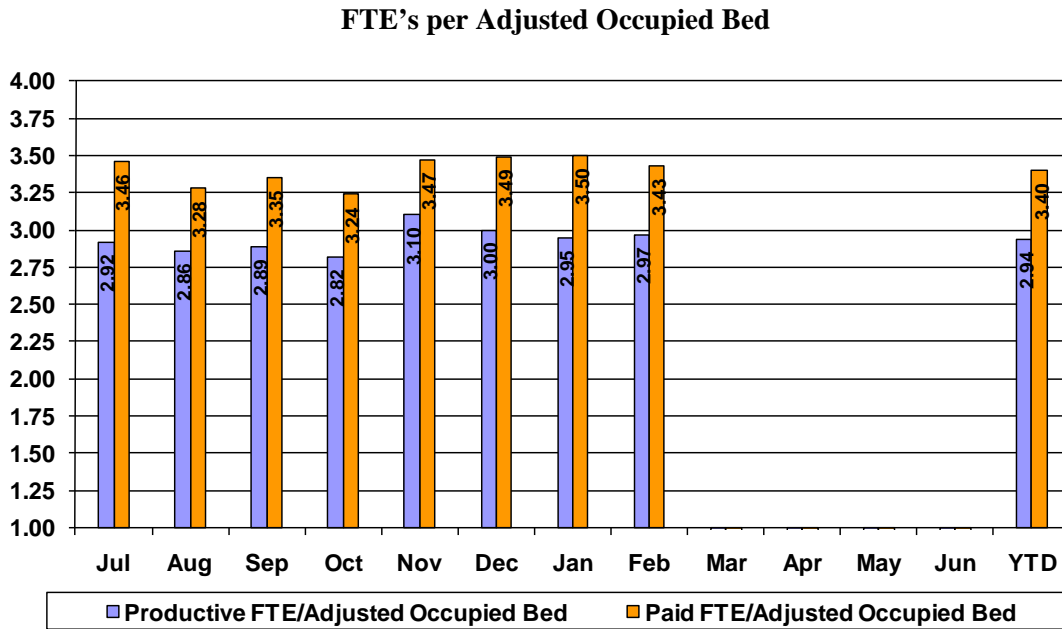
Total operating expenses were less than the fixed budget by \$113,000 or 2.0%. On an adjusted patient day basis, our cost per adjusted patient day was \$1,526 which was \$61 per adjusted patient day unfavorable to budget. This variance in expenses per adjusted patient day was primarily the result of an unfavorable variance in salaries and registry costs of \$92 per adjusted patient day. The graph below shows the actual hospital operating expenses on an adjusted patient day basis for the 2011 fiscal year by month as compared to budget and is followed by explanations of the significant areas of variance that were experienced in the current month.

Expenses per Adjusted Patient Day



Salary and Registry Expenses

Salary and registry costs combined were unfavorable to the fixed budget by \$158,000 and were unfavorable to budgeted levels on a per adjusted patient day basis by \$92 or 12.0%. This unfavorable variance was the result of unfavorable variances in salary costs \$114,000 and greater than budgeted registry utilization in several hospital departments of \$41,000. On an adjusted occupied bed basis, productive FTE's were unfavorable to budget by 5.3% at 2.97 FTE's versus the budgeted 2.82 FTE's. The graph below shows the productive and paid FTE's per adjusted occupied bed for FY 2011 by month.



Benefits

Benefits were favorable to the fixed budget by \$138,000 or 15.3% and \$24 or 9.9% on an adjusted patient day basis. This favorable variance was the result of lower than budgeted health insurance claims expense of \$119,000 and lower than budgeted workers compensation insurance expense of \$25,000.

Professional Fees

Professional fees were lower than budgeted by \$94,000 as a result of the delay in the estimated start-up of the Wound Care program that was budgeted to begin in January 2011 (\$41,000), lower than budgeted physician fees (\$30,000), lower than budgeted consulting and management fees (\$30,000) offset by an unfavorable budget in legal fees of \$10,000.

Supplies

Supplies were unfavorable to budget by \$44,000 or \$24 per adjusted patient day in February. This unfavorable variance was the result of greater than budgeted medical supplies expense of \$49,000 which was comprised of unfavorable variances in surgical supplies (\$37,000), pharmaceuticals (\$8,000) and radiology film expense (\$4,000). Non-medical supplies were favorable to budget by \$6,000.

Purchased Services

Purchased services were \$46,000 favorable to the fixed budget and \$7 per adjusted patient day favorable to budget in the month of February. This favorable variance was the result of favorable variances of \$12,000 in repairs and maintenance expense, lower than budgeted collection agency fees of \$14,000 and other purchased services of \$32,000. These favorable variances were offset by an unfavorable variance of \$11,000 in medical purchased services.

Rents and Leases

Rents and leases were \$38,000 favorable to the fixed budget and \$9 per adjusted patient day favorable to budget for the month of February. This favorable variance was primarily the result of lower than budgeted rental expense related to the PACS and Digital Radiology upgrade project (\$31,000). This project will not be completed until the end of the fiscal year due to Office of Statewide Health Planning delays. Favorable variances were also seen in the Respiratory Services department (\$6,000) as a result of a new lease agreement that was negotiated with a new ventilator supplier.

The following pages include the detailed financial statements for the eight (8) months ended February 28, 2011, of fiscal year 2011.

**ALAMEDA HOSPITAL
KEY STATISTICS
FEBRUARY 2011**

	ACTUAL FEBRUARY 2011	CURRENT FIXED BUDGET	VARIANCE (UNDER) OVER	%	FEBRUARY 2010	YTD FEBRUARY 2011	YTD FIXED BUDGET	VARIANCE	%	YTD FEBRUARY 2010
Discharges:										
Total Acute	197	252	(55)	-21.8%	215	1,649	1,892	(243)	-12.8%	1,905
Total Sub-Acute	1	1	-	0.0%	1	16	12	4	33.3%	11
Total Skilled Nursing	10	11	(1)	-9.1%	6	60	98	(38)	-38.8%	87
	<u>208</u>	<u>264</u>	<u>(56)</u>	<u>-21.2%</u>	<u>222</u>	<u>1,725</u>	<u>2,002</u>	<u>(277)</u>	<u>-13.8%</u>	<u>2,003</u>
Patient Days:										
Total Acute	778	948	(170)	-17.9%	874	6,989	7,127	(138)	-1.9%	7,186
Total Sub-Acute	943	938	5	0.5%	951	7,914	8,140	(226)	-2.8%	8,073
Total Skilled Nursing	659	644	15	2.3%	608	5,375	5,589	(214)	-3.8%	4,991
	<u>2,380</u>	<u>2,530</u>	<u>(150)</u>	<u>-5.9%</u>	<u>2,433</u>	<u>20,278</u>	<u>20,856</u>	<u>(578)</u>	<u>-2.8%</u>	<u>20,250</u>
Average Length of Stay										
Total Acute	3.95	3.76	0.19	5.0%	4.07	4.24	3.77	0.47	12.5%	3.77
Average Daily Census										
Total Acute	27.79	33.86	(5.67)	-16.7%	31.21	28.76	29.33	(0.57)	-1.9%	29.57
Total Sub-Acute	33.68	33.50	0.17	0.5%	33.96	32.57	33.50	(0.93)	-2.8%	33.22
Total Skilled Nursing	23.54	23.00	0.50	2.2%	21.71	22.12	23.00	(0.88)	-3.8%	20.54
	<u>85.00</u>	<u>90.36</u>	<u>(5.00)</u>	<u>-5.5%</u>	<u>86.89</u>	<u>83.45</u>	<u>85.83</u>	<u>(1.50)</u>	<u>-1.7%</u>	<u>83.33</u>
Emergency Room Visits	1,337	1,372	(35)	-2.6%	1,417	11,179	11,910	(731)	-6.1%	11,924
Outpatient Registrations	1,866	2,232	(366)	-16.4%	2,524	15,684	17,486	(1,802)	-10.3%	20,428
Surgery Cases:										
Inpatient	48	50	(2)	-4.0%	59	354	399	(45)	-11.3%	477
Outpatient	118	136	(18)	-13.2%	410	1,105	1,139	(34)	-3.0%	3,379
	<u>166</u>	<u>186</u>	<u>(20)</u>	<u>-10.8%</u>	<u>469</u>	<u>1,459</u>	<u>1,538</u>	<u>(79)</u>	<u>-5.1%</u>	<u>3,856</u>
Kaiser Inpatient Cases	-	-	-	-	9	-	-	-	-	78
Kaiser Eye Cases	-	-	-	-	164	-	-	-	-	1,267
Kaiser Outpatient Cases	-	-	-	-	144	-	-	-	-	1,257
Total Kaiser Cases	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>317</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,602</u>
% Kaiser Cases	0.0%	0.0%			67.6%	0.0%	0.0%			67.5%
Adjusted Occupied Bed	127.64	135.49	7.85	5.8%	151.79	124.08	129.41	(5.33)	-4.1%	145.75
Productive FTE	378.12	381.76	3.64	1.0%	395.80	366.36	367.07	0.71	0.2%	392.34
Total FTE	436.32	432.71	(3.61)	-0.8%	454.02	423.81	417.70	(6.11)	-1.5%	449.07
Productive FTE/Adj. Occ. Bed	2.96	2.82	(0.14)	-5.1%	2.61	2.95	2.84	(0.12)	-4.1%	2.69
Total FTE/ Adj. Occ. Bed	3.42	3.19	(0.22)	-7.0%	2.99	3.42	3.23	(0.19)	-5.8%	3.08

**City of Alameda Health Care District
Statements of Financial Position**

February 28, 2011

\$ in thousands

	<u>Current Month</u>	<u>Prior Month</u>	<u>Prior Year End</u>
Assets			
Current Assets:			
Cash and Cash Equivalents	\$ 721,546	\$ 10,339	\$ 3,480,668
Patient Accounts Receivable, net	10,520,865	11,458,132	9,558,147
Other Receivables	4,349,139	4,344,795	6,654,035
Third-Party Payer Settlement Receivables	683,455	695,240	374,557
Inventories	1,155,112	1,138,088	1,149,706
Prepays and Other	<u>674,119</u>	<u>712,399</u>	<u>453,872</u>
Total Current Assets	18,104,236	18,358,993	21,670,985
Assets Limited as to Use, net	558,398	547,821	476,630
Property, Plant and Equipment, net	<u>7,660,831</u>	<u>7,528,001</u>	<u>6,993,735</u>
Total Assets	<u>\$ 26,323,465</u>	<u>\$ 26,434,815</u>	<u>\$ 29,141,350</u>
Liabilities and Net Assets			
Current Liabilities:			
Current Portion of Long Term Debt	\$ 416,000	\$ 416,000	\$ 450,831
Accounts Payable and Accrued Expenses	7,434,886	6,747,786	6,112,296
Payroll Related Accruals	4,829,367	4,804,155	4,351,133
Deferred Revenue	1,912,349	2,390,196	5,736,951
Employee Health Related Accruals	562,840	581,363	645,750
Third-Party Payer Settlement Payable	<u>290,000</u>	<u>290,000</u>	<u>500,000</u>
Total Current Liabilities	15,445,442	15,229,500	17,796,961
Long Term Debt, net	<u>967,720</u>	<u>1,004,828</u>	<u>1,236,831</u>
Total Liabilities	<u>16,413,162</u>	<u>16,234,328</u>	<u>19,033,792</u>
Net Assets:			
Unrestricted	9,224,329	9,555,090	9,560,928
Temporarily Restricted	<u>685,974</u>	<u>645,397</u>	<u>546,630</u>
Total Net Assets	<u>9,910,303</u>	<u>10,200,487</u>	<u>10,107,558</u>
Total Liabilities and Net Assets	<u>\$ 26,323,465</u>	<u>\$ 26,434,815</u>	<u>\$ 29,141,350</u>

City of Alameda Health Care District

Statements of Operations

February 28, 2011

\$'s in thousands

	Current Month					Year-to-Date				
	Actual	Budget	\$ Variance	% Variance	Prior Year	Actual	Budget	\$ Variance	% Variance	Prior Year
Patient Days	2,380	2,530	(150)	-5.9%	2,433	20,278	20,856	(578)	-2.8%	20,250
Discharges	208	263	(55)	-20.9%	222	1,725	2,000	(275)	-13.8%	2,002
ADC (Average Daily Census)	85.0	90.4	(5.36)	-5.9%	86.9	83	85.8	(2.38)	-2.8%	83.3
CMI (Case Mix Index)	1.3331				1.3723	1.3632				1.3197
Revenues										
Gross Inpatient Revenues	\$ 12,579	\$ 14,121	\$ (1,542)	-10.9%	\$ 13,153	\$ 110,161	\$ 112,244	\$ (2,084)	-1.9%	\$ 110,902
Gross Outpatient Revenues	6,260	7,026	(765)	-10.9%	9,870	53,877	56,795	(2,918)	-5.1%	83,058
Total Gross Revenues	18,839	21,147	(2,307)	-10.9%	23,023	164,037	169,039	(5,002)	-3.0%	193,961
Contractual Deductions	13,389	15,368	1,979	12.9%	16,902	116,997	121,498	4,501	3.7%	144,019
Bad Debts	690	634	(56)	-8.8%	707	4,954	5,053	99	2.0%	4,358
Charity and Other Adjustments	188	159	(29)	-18.6%	60	1,257	1,264	7	0.6%	424
Net Patient Revenues	4,572	4,986	(414)	-8.3%	5,354	40,830	41,224	(394)	-1.0%	45,159
Net Patient Revenue %	24.3%	23.6%			23.3%	24.9%	24.4%			23.3%
Net Clinic Revenue	50	28	23	80.9%	14	258	223	34	15.4%	81
Other Operating Revenue	12	14	(2)	-14.1%	39	81	111	(30)	-26.7%	371
Total Revenues	4,635	5,028	(393)	-7.8%	5,407	41,169	41,558	(389)	-0.9%	45,611
Expenses										
Salaries	2,825	2,708	(117)	-4.3%	2,879	23,708	22,500	(1,208)	-5.4%	25,342
Registry	216	175	(41)	-23.2%	213	1,605	1,368	(237)	-17.3%	1,348
Benefits	768	907	138	15.3%	1,105	6,306	7,057	750	10.6%	7,631
Professional Fees	255	349	94	26.9%	237	2,373	2,579	207	8.0%	2,355
Supplies	731	687	(44)	-6.4%	737	5,845	5,580	(265)	-4.7%	6,885
Purchased Services	328	375	46	12.3%	330	2,961	3,098	136	4.4%	3,084
Rents and Leases	68	106	38	36.1%	60	544	632	88	14.0%	536
Utilities and Telephone	70	66	(4)	-5.7%	76	502	573	71	12.4%	572
Insurance	34	35	1	4.1%	44	254	287	33	11.4%	352
Depreciation and amortization	77	71	(6)	-8.8%	103	642	584	(58)	-10.0%	817
Other Operating Expenses	68	74	6	8.4%	75	705	657	(48)	-7.3%	683
Total Expenses	5,440	5,552	113	2.0%	5,859	45,446	44,916	(530)	-1.2%	49,604
Operating gain (loss)	(805)	(525)	(280)	-53.4%	(452)	(4,277)	(3,358)	(919)	27.4%	(3,994)
Non-Operating Income / (Expense)										
Parcel Taxes	479	479	0	0.1%	479	3,828	3,837	(9)	-0.2%	3,837
Investment Income	0	-	0	0.0%	2	8	-	8	0.0%	13
Interest Expense	(8)	(8)	0	0.1%	(7)	(71)	(92)	21	-23.1%	(68)
Other Income / (Expense)	22	22	0	0.7%	23	175	177	(2)	-1.3%	182
Net Non-Operating Income / (Expense)	494	493	1	0.2%	496	3,941	3,922	19	0.5%	3,964
Excess of Revenues Over Expenses	\$ (311)	\$ (32)	\$ (279)	87.91%	\$ 44	\$ (337)	\$ 564	\$ (901)	-159.7%	\$ (30)

City of Alameda Health Care District
Statements of Operations - Per Adjusted Patient Day
February 28, 2011

	Current Month					Year-to-Date				
	Actual	Budget	\$ Variance	% Variance	Prior Year	Actual	Budget	\$ Variance	% Variance	Prior Year
Revenues										
Gross Inpatient Revenues	\$ 3,529	\$ 3,727	\$ (198)	-5.3%	\$ 3,089	\$ 3,648	\$ 3,574	\$ 75	2.1%	\$ 3,131
Gross Outpatient Revenues	1,756	1,854	(98)	-5.3%	2,318	1,784	1,808	(24)	-1.3%	2,345
Total Gross Revenues	5,285	5,581	(296)	-5.3%	5,406	5,433	5,382	51	0.9%	5,477
Contractual Deductions	3,756	4,056	300	7.4%	3,969	3,875	3,868	(6)	-0.2%	4,067
Bad Debts	194	167	(26)	-15.6%	166	164	161	(3)	-2.0%	123
Charity and Other Adjustments	53	42	(11)	-26.0%	14	42	40	(1)	-3.4%	12
Net Patient Revenues	1,283	1,316	(33)	-2.5%	1,257	1,352	1,312	40	3.0%	1,275
Net Patient Revenue %	24.3%	23.6%			23.3%	24.9%	24.4%			23.3%
Net Clinic Revenue	14	7	7	92.3%	3	9	7	1	20.1%	2
Other Operating Revenue	3	4	(0)	-8.7%	9	3	4	(1)	-23.7%	10
Total Revenues	1,300	1,327	(27)	-2.0%	1,270	1,364	1,323	40	3.0%	1,288
Expenses										
Salaries	792	715	(78)	-10.9%	676	785	716	(69)	-9.6%	716
Registry	61	46	(14)	-31.0%	50	53	44	(10)	-22.0%	38
Benefits	216	239	24	9.9%	259	209	225	16	7.0%	215
Professional Fees	71	92	21	22.3%	56	79	82	4	4.3%	66
Supplies	205	181	(24)	-13.1%	173	194	178	(16)	-9.0%	194
Purchased Services	92	99	7	6.8%	77	98	99	1	0.6%	87
Rents and Leases	19	28	9	32.1%	14	18	20	2	10.5%	15
Utilities and Telephone	20	17	(2)	-12.4%	18	17	18	2	8.9%	16
Insurance	9	9	(0)	-2.0%	10	8	9	1	7.9%	10
Depreciation and Amortization	22	19	(3)	-15.7%	24	21	19	(3)	-14.4%	23
Other Operating Expenses	19	20	1	2.6%	18	23	21	(2)	-11.6%	19
Total Expenses	1,526	1,465	(61)	-4.1%	1,376	1,505	1,430	(75)	-5.2%	1,401
Operating Gain / (Loss)	(226)	(138)	(87)	-63.1%	(106)	(141)	(107)	(35)	32.6%	(113)
Net Non-Operating Income / (Expense)	139	130	8	6.5%	116	131	125	6	4.5%	112
Excess of Revenues Over Expenses	\$ (87)	\$ (8)	\$ (79)	940.7%	\$ 10	\$ (11)	\$ 18	\$ (29)	-159.9%	\$ (1)

City of Alameda Health Care District
Statement of Cash Flows
For the Eight Months Ended February 28, 2011
 \$ in thousands

	<u>Current Month</u>	<u>Year-to-Date</u>
Cash flows from operating activities		
Net Income / (Loss)	\$ (310,992)	\$ (336,598)
Items not requiring the use of cash:		
Depreciation and amortization	77,227	\$ 642,283
Changes in certain assets and liabilities:		
Patient accounts receivable, net	937,267	(962,718)
Other Receivables	(4,344)	2,304,896
Third-Party Payer Settlements Receivable	11,785	(518,898)
Inventories	(17,024)	(5,406)
Prepays and Other	38,280	(220,247)
Accounts payable and accrued liabilities	687,100	1,322,590
Payroll Related Accruals	25,212	478,234
Employee Health Plan Accruals	(18,523)	(82,910)
Deferred Revenues	(477,847)	(3,824,602)
Cash provided by (used in) operating activities	<u>948,141</u>	<u>(1,203,376)</u>
Cash flows from investing activities		
(Increase) Decrease in Assets Limited As to Use	(10,577)	(81,768)
Additions to Property, Plant and Equipment	(210,057)	(1,309,379)
Other	(19,769)	(1)
Cash provided by (used in) investing activities	<u>(240,403)</u>	<u>(1,391,148)</u>
Cash flows from financing activities		
Net Change in Long-Term Debt	(37,108)	(303,942)
Net Change in Restricted Funds	40,577	139,344
Cash provided by (used in) financing and fundraising activities	<u>3,469</u>	<u>(164,598)</u>
Net increase (decrease) in cash and cash equivalents	711,207	(2,759,122)
Cash and cash equivalents at beginning of period	10,339	3,480,668
Cash and cash equivalents at end of period	<u>\$ 721,546</u>	<u>\$ 721,546</u>

DATE: April 4, 2011
TO: City of Alameda Health Care District, Board of Directors
THROUGH: Finance and Management Committee
FROM: Kerry Easthope, Associate Administrator
SUBJECT: Approval to Renew Angelica Textile Service Agreement

Recommendation:

Hospital Management and the Finance and Management Committee recommend that the District Board of Directors approve the renewal of the Hospital's linen service agreement with Angelica Textile Services.

The new contract would be a four (4) year term, effective 2/21/11 and ending 2/21/2015. The annual cost of this service agreement is estimated at \$350,000. The Agreement includes purchasing and replacing worn and torn linen as needed, as well as, all linen laundry services. The Hospital has been pleased with the quality of linens provided by Angelica as well as the level of service / customer support provided.

Background:

Alameda Hospital has contracted with Angelica Textile Services for the provision of linen and laundry services for many years. The most recent contract was a 3 year agreement that ended in October 2008 and has been operating on a month to month basis since then. We began discussion & negotiation of a new contract back in October 2010 and have now finalized the terms and conditions that we feel are satisfactory. The Hospital does not have the space, machinery or personnel to effectively and efficiently perform this function in-house and outsourcing this service has proven to be most beneficial.

Discussion:

Angelica Textile Services has been a good laundry & linen service provider. We have not had issue with the quality of their linens, the quantity of linens made available, delivery schedules or service. The fact that they have been a good service provider is especially important as there are limited hospital focused commercial laundry service options available in the Bay Area. Their plant is located in Antioch, CA. There have been no disruptions in service from Angelica in at least the past five years.

Over the past contract term, rates have only increased 2 to 3% per year. This has been satisfactory given the cost of linen replacement and rising labor and fuel prices. The only immediate financial impact upon executing the new contract will be a 3% price increase. Given that we have not had an increase in over one year, this seems reasonable. At the end of each contract year, the rates will increase by the CPI Medical Care Services Index, with a minimum increase of 2% and a cap of 3.6%. In addition, if certain costs increase at an inordinate about (greater than the CPI rate), these will be documented by Angelica and we will meet and discuss. For these items, there is the possibility for up to an additional 2.5% increase. However, this has never been required or exercised in the past years of operation.

We feel that this is a good agreement and request authorization to enter into this contract renewal with Angelica Textiles.

Date: April 4, 2011
To: City of Alameda Health Care District, Board of Director
From: Kristen Thorson, District Clerk
Subject: Request to Move May District Board Meeting

Recommendation:

It is recommended that the Board of Directors move the regularly scheduled May District Board Meeting from May 2, 2011 to **May 9, 2011**.

Background:

Due to scheduling conflicts on May 2, 2011, staff has polled the Board of Directors, Legal Counsel and Medical Staff to check their availability for May 9, 2011. All have indicated that May 9, 2011 will work.

DATE: April 4, 2011

TO: City of Alameda Health Care District, Board of Directors

FROM: Deborah E. Stebbins, Chief Executive Officer
David A. Neapolitan, Chief Financial Officer
Kerry Easthope, Associate Administrator

SUBJECT: FY 2011 Financial Projection Summary

Attached is Management's projection for Fiscal Year 2011 financial performance. The projection is based upon the first eight (8) months of actual financial performance with the remaining four (4) months of operations projected using the first seven (7) months of financial results. As a result Management is projecting that the revenue in excess of expenses will be approximately \$196,000 for FY 2011.

Some of the significant modifications that have been incorporated into the Fiscal Year 2011 Projection include:

- Removal of one half of the estimated Fiscal Year 2011 Intergovernmental Transfer (IGT), \$1,098,000 from the budget.
- Removal of the budgeted Wound Care program, \$59,000 net income, that was budgeted to begin operations in January 2011 as the program will not begin operations until January 2012.
- Inclusion of the write-off of a third party liability of \$1,451,000 that has reached the statute of limitations.

In addition to these modifications there have been material variances from budget in the following categories:

- Gross revenues are projected to be unfavorable to the original budget by \$5,268,884. Of this, almost \$2.6 million is associated with the Wound Care Program, \$1.9 million from lower inpatient revenues and the remaining \$770,000 from lower outpatient patient revenue. The negative variance correlates with patient volumes being lower than budgeted. However, the lower than budgeted Gross Revenue was offset by a favorable variance to the original budget of \$5,472,838 in contractual allowances. This results in a favorable variance in net patient revenues of \$204,000 from the original budget.

FY 2011 Financial Projection Summary
April 4, 2011

- Salaries and registry expenses are projected to be unfavorable to the original budget by \$2,306,000. This unfavorable variance is the result of variances in productive salaries (\$564,000), registry costs (\$363,000) and non-productive salary costs (\$1,379,000).
 - Productive salaries have been running over budget primarily as the result of higher than expected use of certified nursing assistants and other nursing personnel expenses. We believe this practice has been rectified and the last four months reflect a salary expense decrease of approximately \$32,000 per month.
 - With a lot of long tenured employees, we have seen an increase in non-productive time off accruals this fiscal year that was not budgeted. Additionally education and training time has increased over that of prior year historical trends. Also impacting non-productive salary costs has been a higher than budgeted use of standby labor, primarily in surgery. On a positive note, we have paid out an additional \$43,000 in benefit opt out payments which has positively impacted our overall health insurance benefit costs as employees have opted to obtain their health insurance coverage through other options available to them. We continue to analyze this variance by department in order to better manage and control non-productive salary expenses.
- Benefits are projected to be favorable to the original budget by \$1,354,000. The largest variance coming in the organizations Health Insurance costs which are projected to be \$900,000 favorable to budget. The remainder of this favorable variance is attributable to Worker's Compensation (\$192,000) and other miscellaneous employee benefits.
- Supply costs are projected to be unfavorable to the original budget by \$445,000. This variance is attributable to greater than budgeted supply costs for prosthesis and pharmaceutical supplies... Rental expenses are projected to be favorable to the original budget by \$258,000. The majority of this variance, \$185,000, is the result in the six month delay in completing the digital radiology upgrades. This delayed the conversion of the Banc of America Master Lease into an operating lease for this equipment until July.

The following tables show the historical volume levels and the projected activity for the final four (4) months of Fiscal Year 2011 and the projected monthly financial performance for Fiscal Year 2011.

**ALAMEDA HOSPITAL
FISCAL YEAR 2011 PROJECTION
OPERATING STATISTICS**

	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011				
				YTD Actual	Mar - Jun Projected	YTD Projected	Original Budget	from Budget
PATIENT DAYS								
CCU	1,279	1,320	1,406	1,085	508	1,593	1,498	6.34%
DOU	4,179	4,379	4,445	2,566	1,618	4,184	4,776	-12.40%
Medical/Surgical	5,818	6,087	4,728	3,338	1,547	4,885	4,508	8.36%
Total Acute	11,276	11,786	10,579	6,989	3,673	10,662	10,782	-1.11%
Sub-Acute	10,789	12,010	12,196	7,914	3,958	11,872	12,228	-2.91%
SNF	622	6,666	7,832	5,375	2,676	8,051	8,395	-4.10%
Total Long Term Care	11,411	18,676	20,028	13,289	6,634	19,923	20,623	-3.39%
Grand Total	22,687	30,462	30,607	20,278	10,307	30,585	31,405	-2.61%
AVG. LENGTH OF STAY								
Acute	3.9	4.2	3.8	4.2	3.8	4.1	3.8	8.07%
AVG. DAILY CENSUS								
CCU	3.5	3.6	3.9	4.5	4.2	4.4	4.1	7.32%
DOU	11.4	12.0	12.2	10.6	13.3	11.5	13.1	-12.21%
Medical/Surgical	15.9	16.7	13.0	13.7	12.7	13.4	12.4	8.06%
Total Acute	30.8	32.3	29.1	28.8	30.2	29.3	29.6	-1.01%
Sub-Acute	29.6	32.9	33.4	32.6	32.4	32.5	33.5	-2.99%
SNF	1.7	18.3	21.5	22.1	21.9	22.1	23.0	-3.91%
Total Long Term Care	31.3	51.2	54.9	54.7	54.3	54.6	56.5	-3.36%
Grand Total	62.1	83.5	84.0	83.5	84.5	83.9	86.1	-2.56%
OUTPATIENT VISITS								
Emergency	17,922	17,338	17,624	11,179	5,978	17,157	17,888	-4.09%
Outpatient Registrations	30,943	29,951	29,082	15,684	9,352	25,036	26,838	-6.71%
IP Surgeries-Non Kaiser	629	588	592	354	200	554	599	-7.51%
IP Surgeries - Kaiser	73	102	91	-	-	-	-	0.00%
Total IP Surgeries	702	690	683	354	200	554	599	-7.51%
OP Surgeries - Non Kaiser	1,249	1,206	1,224	1,009	525	1,534	1,582	-3.03%
OP Surgeries - Kaiser Eye	1,665	1,976	1,461	-	-	-	-	0.00%
OP Surgeries - Kaiser Amb.	1,644	1,931	1,417	-	-	-	-	0.00%
Total OP Surgeries	4,558	5,113	4,102	1,009	525	1,534	1,582	-3.03%
Minor Procedures	150	82	127	96	40	136	122	11.48%
Total Surgeries	5,410	5,885	4,912	1,459	765	2,224	2,303	-3.43%
Total Surgeries without Kaiser	2,028	1,876	1,943	1,459	765	2,224	2,303	-3.43%

Alameda Hospital
FY 2011 Projection
\$s in thousands

	YTD					FY 2011
	Feb 2011	Mar-11	Apr-11	May-11	Jun-11	Projected
Revenues						
Gross Inpatient Revenues	\$ 110,161	\$ 14,867	\$ 13,621	\$ 15,118	\$ 13,549	\$ 167,316
Gross Outpatient Revenues	53,877	7,032	6,710	6,929	6,846	81,394
Total Gross Revenues	164,037	21,899	20,331	22,047	20,395	248,710
Contractual Deductions	116,997	15,789	14,721	15,894	14,785	178,186
Bad Debts	4,954	727	680	727	686	7,774
Charity and Other Adjustment	1,257	177	166	178	166	1,944
Net Patient Revenues	40,830	5,206	4,764	5,249	4,758	60,806
Net Patient Revenue %	24.9%	23.8%	23.4%	23.8%	23.3%	24.4%
Net Clinic Revenue	258	30	30	30	30	376
Other Operating Revenue	81	10	10	10	10	121
Total Revenues	41,169	5,245	4,803	5,288	4,797	61,302
Expenses						
Salaries	23,708	3,093	2,960	3,086	2,978	35,826
Registry	1,605	209	200	208	201	2,423
Benefits	6,306	782	748	781	752	9,369
Professional Fees	2,373	303	303	303	303	3,583
Supplies	5,845	739	722	757	740	8,803
Purchased Services	2,961	380	377	380	377	4,474
Rents and Leases	544	68	68	68	68	816
Utilities and Telephone	502	62	62	62	62	748
Insurance	254	31	31	31	31	380
Depreciation and amortization	642	81	81	81	81	965
Other Operating Expenses	705	92	92	92	92	1,075
Total Expenses	45,446	5,840	5,643	5,848	5,685	68,462
Operating gain (loss)	(4,277)	(595)	(840)	(560)	(888)	(7,160)
Non-Operating Income / (Expense)						
Parcel Taxes	3,828	480	480	480	480	5,746
Investment Income	8	1	1	1	1	11
Interest Expense	(71)	(11)	(11)	(11)	(11)	(115)
Other Income / (Expense)	175	1,473	22	22	22	1,714
n-Operating Income / (Expense)	3,941	1,942	491	491	491	7,356
Excess of Revenues Over Expn	\$ (337)	\$ 1,348	\$ (349)	\$ (69)	\$ (397)	\$ 196

DATE: April 4, 2011

TO: City of Alameda Health Care District, Board of Directors

FROM: Deborah E. Stebbins, Chief Executive Officer
David A. Neapolitan, Chief Financial Officer
Kerry Easthope, Associate Administrator

SUBJECT: FY 2012 Budget and Strategic Goals Calendar

<u>Key Date</u>	<u>Activity</u>
March 30, 2011	Present FY 2011 Projections to Finance Committee
April 1, 2011	Finalize FY 2012 Volume Projections and Assumptions with Executive Team
April 4, 2011	Present FY 2011 Projections to Board of Directors
April 22, 2011	Preliminary Operating and Capital Budget for Executive Team Review
April 27, 2011	Present Budget Assumptions and Key Statistics to Finance Committee
May 9, 2010	Present FY 2012 Goals and Objectives to Board of Directors
May 13, 2011	Finalize Operating and Capital Budget with Executive Team
May 25, 2011	Present Operating and Capital Budget to Finance Committee
June 6, 2011	Present Operating and Capital Budget to Board of Directors
July 1, 2011	Implement Annual Price Increase
July 11, 2011	Present FY 2012 Executive Performance (Incentive Metrics) to Board of Directors
September 28, 2011	Present FY 2011 Audited Financials to Finance Committee
October 3, 2011	Present FY 2011 Audited Financials to Board of Directors
	Present Incentive Compensation Pay-Out for CEO for FY 2011 to Board of Directors