Alameda Hospital

CITY OF ALAMEDA HEALTH CARE DISTRICT

PUBLIC NOTICE

CITY OF ALAMEDA HEALTH CARE DISTRICT

BOARD OF DIRECTORS

AGENDA

Monday, July 12, 2010 – 6:00 p.m.

Location: Alameda Hospital (Dal Cielo Conference Room)

2070 Clinton Avenue, Alameda, CA 94501

Office of the Clerk: (510) 814-4001

Regular Meeting

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. Adjourn into Executive Closed Session

IV. Closed Session Agenda

A. Approval of Closed Session Minutes

B. Medical Executive Committee Report and Approval of Credentialing Recommendations — H & S Code Sec. 32155

C. Board Quality Committee Report (BQC) — H & S Code Sec. 32155

D. Consultation with Legal Counsel Regarding Pending Litigation — Gov't Code Sec. 54956.9(a)

E. Discussion of Pooled Insurance Claims — Gov't Code Sec. 54956.95

F. Instructions to Bargaining Representatives Regarding Salaries, Fringe Benefits and Working Conditions — Gov't Code Sec. 54957.6

G. 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.*
4. *Discussion of Hospital Trade Secrets applicable to development of new hospital services, programs and facilities. No action will be taken.*

H. Public Employee Performance Evaluation Title: Chief Executive Officer — Gov't Code Sec 54957

V. Reconvene to Public Session (Expected to start at 7:30 p.m. – Dal Cielo Conference Room)

A. Announcements from Closed Session — Jordan Battani

VI. Consent Agenda

A. Approval of June 7, 2010 Minutes **ACTION ITEM** [enclosure] (PAGES 4-14)

B. Approval of June 23, 2010 Minutes **ACTION ITEM** [enclosure] (PAGES 15-17)

C. Acceptance of May 2010 Financial Statements **ACTION ITEM** [enclosure] (PAGES 18-38)

D. Approval of Resolution 2010-2H Levying the City of Alameda Health Care District Parcel Tax for the Fiscal Year 2010-2011 **ACTION ITEM** [enclosure] (PAGES 39-40)

E. Approval of Certification of Taxes, Assessments and Fees **ACTION ITEM** [enclosure] (PAGES 41-42)

VII. Regular Agenda

A. President's Report — Jordan Battani

1) Approval to Cancel August Board Meeting **ACTION ITEM**

2) Consideration of Special Board Meeting to Discuss Strategic Planning

B. Chief Executive Officer's Report

1) Recommendation to Approve OPEIU, Local #29 Memorandum of Understanding (Agreement) **ACTION ITEM** [enclosure] (PAGES 43-57) — Deborah E. Stebbins

2) Information and Timeline Regarding November 2010 General Election [enclosure] (PAGES 58-62) — Deborah E. Stebbins

3) City Council Presentation "Update on the Hospital" – September 7, 2010 — Deborah E. Stebbins

4) Monthly Statistics — Deborah E. Stebbins

5) Facilities Update — Kerry Easthope

a. Seismic

b. Program Development

C. Community Relations and Outreach Report

1) Committee Report – June 8, 2010 — Rob Bonta

D. Finance and Management Committee Report

1) Committee Report – June 30, 2010 — Jordan Battani

2) Approval of FYE 2011 Operating Budget **ACTION ITEM** — David A. Neapolitan
[enclosure] (PAGES 63-71)

E. Medical Staff President Report — Alka Sharma, MD

VIII. General Public Comments

IX. Board Comments

X. Adjournment

Alameda Hospital

CITY OF ALAMEDA HEALTH CARE DISTRICT

Minutes of the Board of Directors

June 7, 2010

Directors Present:
Jordan Battani
Robert Bonta
Robert Deutsch, MD
J. Michael McCormick

Management Present:
Deborah E. Stebbins
Kerry J. Easthope
David A. Neapolitan

Medical Staff Present:
Alka Sharma, M.D.

Legal Counsel Present:
Thomas Driscoll, Esq.

Excused:
Leah Williams

Submitted by:
Jaclyn Yuson

Action		
1. 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 6:13 p.m.	
2. Roll Call	Kristen Thorson called roll, noting that a quorum of Directors were present.	
3. Adjourn into Executive Closed Session	At 6:14 p.m. the meeting adjourned to Executive Closed Session.	

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4. Reconvene to Public Session	**A. Announcements from Closed Session** Director Battani reconvened the meeting into public session at 7:59 p.m. The following closed session announcements were made. [1] Closed Session minutes –May 3, 2010 and May 18, 2010 [2] Medical Executive Committee Report and Approval of Credentialing Recommendations [3] The Board Quality Committee (BQC) Report – March 2010	 [1] The Closed Session Minutes for May 3, 2010, and May 18, 2010 were approved. [2] The Medical Executive Committee Report and Credentialing Recommendations were approved as presented below. [3] The March 2010 BQC report was accepted as presented.

Reappointments – Medical Staff

Name	Specialty	Status	Appointment Period
○ David Belk, MD	Internal Medicine	Active	07/01/10 – 06/30/12
○ Olivia Butt, MD	Gynecology	Active	07/01/10 – 06/30/12
○ Jacqueline DeCayette, MD	Anesthesiology	Courtesy	07/01/10 – 06/30/12
○ Jagmohan Khaira, MD	Internal Medicine	Active	07/01/10 – 06/30/12
○ William Lewis, MD	Otolaryngology	Courtesy	07/01/10 – 06/30/12
○ Eric Otani, MD	Emergency Medicine	Active	07/01/10 – 06/30/12

Resignations

Name	Specialty
○ Julie Brown, CRNA	Nurse Anesthetist
○ Barry Chantrelle, MD	Nephrology
○ Ricardo Charles, CRNA	Nurse Anesthetist
○ Nikhil Desai, MD	Oral/Max Surgery

○	James Fagan, DPM	Podiatry
○	John Hatch, CRNA	Nurse Anesthetist
○	Theresa Hickey, MD	Anesthesiology
○	Diane Nishikawa, CRNA	Nurse Anesthetist
○	Kenneth Raap, DPM	Podiatry
○	Nancy Saunders, CRNA	Nurse Anesthetist
○	Charlotte Shum, MD	Orthopedics
○	Robert Wagner, MD	Oral/Max Surgery

5. Consent Agenda	[A] Approval of May 3, 2010 Minutes [B] Approval of May 18, 2010 Minutes The May 3, 2010 minutes had additional information added after the June board packets had been distributed. The revised minutes were distributed to the Board members at the meeting for review. Changes to the minutes will be reflected online as well as in the original file located in the District Clerk's office. Director McCormick was present during the Executive Closed Session and stepped out during the beginning portion of the Open Session meeting to attend to a personal matter.	Director Deutsch moved to approve the Consent Agenda as presented. Director Bonta seconded the motion. The motion carried unanimously.
6. Regular Agenda	**A. Auxiliary Annual Report to the Board** Ms. Joanne Sergent, President of the Auxiliary Department, provided an annual report to the Board. Ms. Sergeant announced that there will be a new Auxiliary President and Vice President for 2011, Linda Lingleser and Tommie Anderson, respectively. As presented in the annual report, the Auxiliary Department has approximately $38,484.57 in the Auxiliary account and $28,086.05 in the Gift Shop account. Other sources of revenue for the Auxiliary Department are: Domino and Bridge Marathons, Memorial donations, and vending machines. This year, the Auxiliary provided a gift to the Hospital in the amount of	

	\$40,000 to purchase two surgical beds. On behalf of the Medical Staff and Board of Directors, Dr. Sharma, Director Bonta, and Dr. Deutsch extend their sincere gratitude and appreciation toward the Auxiliary team for all their hard work and efforts in patient care and assistance with providing ancillary services to patients and their families. At 8:04 p.m. Director McCormick joined the Open Session meeting. **B. President's Report** 1. <u>Request to Move July 2010 District Board Meeting</u> Director Battani has requested to the Board to move the July Board meeting to July 12, 2010.	Director Bonta made a motion to approve moving the July 2010 Board Meeting to a later date. Mr. McCormick seconded the motion. The motion carried unanimously.
	2. <u>Adoption of FY 2010 Executive Performance Metrics</u> A revised FY 2010 Executive Performance Metrics document was distributed to the Board Members as additional edits / corrections had been made after the distribution of the Board Packets. Changes to the document will be reflected online as well as in the original file located in the District Clerk's office. Director Battani discussed the FY 2010 Executive Performance Metrics and incentive program. Director Battani indicated the Chief Executive Officer receives a base salary and an additional pay out percentage which is based on the achievement of the metrics upon a performance evaluation. The dollar amounts, actions, and performance items reflected in the Executive Performance Metrics document are those that were agreed on by the Board in the original budget proposal with the exception of a new performance metric that had been added under "Operational Success" in regards to increasing surgical volume from Alameda surgeons between April-June 2010 to exceed June 2009 – March 2010 monthly averages by 10%. A New Business Development goal had also been added to the plan indicating the development of new businesses and program development projects that will ensure long-term financial viability while reducing the reliance on use of the parcel tax for operational purposes. Director Bonta stated that the re-alignment of the weighting is appropriate with	Director Bonta made a motion to adopt the FY 2010 Executive Performance Metrics. Mr. McCormick seconded the motion. The motion carried unanimously.

	this year's goals. He felt that the Executive Performance Metrics was an excellent tool for the Board to use when evaluating performance. Director McCormick and Dr. Deutsch were in favor the performance metrics as well. **C. Chief Executive Officer's Report** 1. <u>Recommendation to Approve I.L.W.U Local 6 Memorandum of Understanding (Agreement)</u> Ms. Stebbins stated that management is recommending that the Board ratify a tentative agreement with Local 6 which represents Diagnostic Imaging Technologists, Radiology Aides, and Receptionists. Management has been negotiating with Local 6 since their contract ended on June 30, 2009. Key issues and/or modified terms of the Local 6 agreement are as follows: Four (4) year term (07/1/09 – 6/30/10), an 18-month wage freeze from 07/01/09 – 12/30/10, wage opener on 12/31/10, and wage and group health plan benefits opener on 6/30/11 and 6/30/12. Local 6 members unanimously agreed to the terms of the agreement. Mr. Easthope praised Phyllis Weiss, Director of Human Resources, for her hard work and efforts in gathering data as well as Local 6 (the union representative, and shop steward) for being amiable during the negotiation process. Director Battani stated the outcome of the agreement reflects partnership between the Hospital and Local 6 maintaining a joint commitment to the viability and stability of the organization. Ms. Stebbins commended both Mr. Easthope and Ms. Weiss for being good negotiating partners. 2. <u>Medi-Cal Contract Update / Alameda Alliance</u> Ms. Stebbins announced that in May the Hospital reached agreement with CMAC, the contracting negotiating body for Medi-Cal contracts on a state wide basis. Back in 2007, the Hospital terminated the Medi-Cal contract as the level of reimbursement was not adequate to covering the cost to care for Medi-Cal patients at Alameda Hospital.	Director Deutsch made a motion to approve the I.L.W.U Local 6 Memorandum of Understanding (Agreement). Mr. McCormick seconded the motion. The motion carried unanimously.

Hospital management made this decision in recognition of the difficulty Medi-Cal patients have in accessing health care both on the hospital and physician level. In addition, an opportunity arose for District hospitals that have Medi-Cal contracts to receive some federal matching funds through an intergovernmental transfer (IGT) as additional compensation for the provision of care to Medi-Cal patients.

The new contract with the State calls for the Hospital receiving a substantial decline in reimbursement compared to what was received with no contract in place. However, the matching funds received through the IGT will help off-set the revenue loss from reduced rates. The Hospital has since received the matching funds.

Ms. Stebbins mentioned that Alameda Alliance, a HMO model, serves Medi-Cal patients in the county and has improved their reimbursement rates allowing physicians to treat more Medi-Cal patients.

Management is planning to make a public press release stating the change indicating the Hospital now accepts Medi-Cal patients.

3. Facilities Update

a. Seismic

Mr. Easthope provided a seismic update to the Board. Ratcliff Architects is in charge of both structural and kitchen relocation projects. Management had given Ratcliff a "Notice to Proceed" detailing the design plan regarding the kitchen relocation project for OSHPD. Structural and kitchen plans will be submitted to OSPHD under one permit as it is being managed under one project.

Jtech HCM, the Construction Management firm, has been chosen to oversee construction management seismic work and SB 1953 compliance. Management and Jtec entered into a $135,000 agreement. Some of Jtec's priorities they are currently working on are: participating in weekly meetings that management has with the architect and engineering firms regarding design and OSHPD submittal, project master plan and schedule, project master budget, and the development of bid documents.

Another seismic requirement is NPC_3 (Non-Structural Plans) work involving bracing and anchoring which have been approved by OSPHD.

There is a possibility the Hospital can get approved for an extension under SB 499 to defer this project for a few years.

Management is meeting with a financial consultant Gary Hicks to discuss strategy and timing for seismic project financing at the end of June.

b. Program Development

Mr. Easthope provided an update on the expansion of the subacute unit. Management has engaged and architectural firm, Anshen Allen, to perform feasibility and constructability analysis for expanding the sub acute program by adding more beds in the 3-West nursing unit. Management received and reviewed an initial draft feasibility plan which provided for a net increase of 8 sub acute beds at an estimated cost of $2.4 to $2.8 million. Skilled nursing has more accessibility requirements. Rooms and spaces around the beds need to be more spacious, doors need to be wider, rooms need to be bigger, ventilation system needs to be re-done, etc.

Management requested a secondary plan review that would allow for a net increase of 10 beds, and wrap the program around to the first room on 3-South.

Director McCormick asked for clarification on the estimated contribution margin per sub acute bed. Mr. Easthope said the estimated contribution margin is about $100,000.00 per bed.

Management is also looking into potential health care partners and/or foundation grants to fund this capital project.

Another plan underway is the potential development of an Acute Rehab Program. Administration has had several discussions with Acute Rehab Care regarding a potential partnership to implement and operate an Acute Rehab Program. The 2-South nursing unit would be a potential location for this program. The market pro forma and physical space indicates that the unit could support a 12 bed program.

New Acute Rehab programs must begin operation on July 1, per CMS certification/reimbursement requirements. If management decides to proceed with this program, July 1, 2011 would be the time to begin the Acute Rehab Program.

Management is waiting for additional data to better understand the market demand and enhancement service that would support this program.

Director Battani asked if the renovations for this project would require OSHPD approval. Mr. Easthope stated this program would need OSHPD review and approval.

4. Board Educational Opportunity

Ms. Stebbins stated that the Directors Roundtable is inviting Board of Directors to attend a program pertaining to "Key Issues Facing Boards of Directors: Prospering in a Post Health Reform World the Revolution in Health Care and Other Benefits." The conference will be held on Wednesday, June 16, 2010 at 9:00 a.m. – 11:00 a.m. in San Francisco.

Director Battani mentioned she will not be able to attend the meeting. However, she encourages other Board members to attend as she has always learned a lot of information from past conferences from Price Water House Coopers speakers.

5. Monthly Statistics

Ms. Stebbins reported the key statistics for May 2010. Average Daily Census was under budget at 84.2 versus a budget of 89.1. Acute census was below budget, 27.6 versus a budget of 34.3. Subacute and South Shore were above budget at 33.5 and 23.2, respectively. Total Patient Days were 5% below budget, 2,610 versus a budget of 2,763. ER Visits were under budget by 2%, 1,436 compared to a budget of 1,465. Total Outpatient Registrations were below budget, 1,972 versus a budget of 2,964.

Statistics	May (Prelim)	May Budget	April Actual
Average Daily Census	84.2	89.1	88.5
Acute	27.6	34.3	27.9

Subacute	33.5	33.3	33.9
South Shore	23.2	21.5	23.0
Patient Days	2,610	2,763	2,544
ER Visits	1,436	1,465	1,402
OP Registration	1,972	2,964	1,945
Total Surgeries	155	146	192

D. Quality Updates & Education

1. Special Presentation – Assessment, Prevention and Treatment of Skin Impairments

Irene Pakel, Clinical Nurse Specialist, presented to the Board a program that has been in place at the Hospital for the past 10 months. The Hospital formed a Healthcare-Acquired Pressure Ulcers (HAPU) Committee. Pressure ulcers are commonly known as bed sores or pressure wounds. Ms. Pakel stated that there is a financial impact of HAPU to the Hospital. An extended length of stay to treat a pressure ulcer can cost up to $500,000 for one patient. Centers for Medicare and Medicaid Services (CMS) will no longer reimburse for healthcare or hospital acquired pressure ulcers.

Many Alameda Hospital patients have pressure ulcers on admission to the Hospital and are at high risk for developing new pressure ulcers.

The committee makes ongoing changes to the HAPU program based on the National Pressure Ulcer Advisory Panel (NPUAP) who publishes national guidelines recognized as the standards of care for pressure ulcer prevention and treatment.

The HAPU Committee has seen a decrease in HAPU cases during Q4 2009 – Q1 2010. Staff has been educated with pressure ulcer prevention which is a big contribution to the low results.

The committee's goals and objectives are to reduce the number of HAPU & improve patient care by:

- Increasing the frequency of skin assessments
- Identifying patients at risk for skin breakdown
- Consistent Wound Care Specialist Coverage
- Improving communication & documentation

	• Initiating appropriate interventions • Improving data collection and analysis • Revising the protocol/policy & procedure to clarify process • Educating staff, patient and family members **E. Strategic Planning and Community Relations Report** 1. <u>Committee Report</u> Mr. Bonta reported that the May Community Relations meeting had been postponed to the second Tuesday in June. No additional report was given at this time. **F. Finance and Management Committee Report** 1. <u>Committee Report – May 26, 2010</u> Director Battani reported to the Board that the April financials were not up to par falling short on budget expectations and inpatient volumes were not at expected budget levels. 2. <u>Acceptance of April 2010 Financial Statements</u> Mr. Neapolitan presented the April financials stating the census had been one of the driving factors for the poor financial performance of the month. Total patient days were 6.0% less than budget expectations for March (2,544 vs. 2,705) and were 6.3% less than the prior year, April 2009 at 2,715. Surgery cases were 62.0% less than budget at 192 cases versus a budget of 505 as a result of the first month without Kaiser activity. The increase in Alameda cases (192 vs. 156) were driven by increased volume in outpatient cases of 44 and were primarily driven by eye related cases which were 33 greater than the prior month. Emergency care visits were 46.7 versus 47.3 visits per day in the prior month. However, the gross number of visits were greater than budgeted by 3.1%. In April, 15.6% of these visits were converted to inpatient stays versus 16.9% in March and the YTD average of 16.4%. Average daily census for April was 84.8 versus a budget of 90.1. Total gross patient revenue was less than budget by $6.2M. Net Patient Revenue $617,000 or 10% less than budget. Operating expenses were $368,000 06 6% less than budget.	Director Bonta made a motion to approve the April 2010 Financial Statements. Mr. McCormick seconded the motion. The motion carried unanimously.

	Director Deutsch asked what the average census was for patients getting referred to the Hospital from the clinic. Mr. Neapolitan did not have a specific number of patients that came from the clinic. However, Mr. Neapolitan stated that he would refer to his files to track the number of patients that were referred to the Hospital by physician and report back the board in July. 3. <u>Approval of Resolution 2010 – 1H Extension of Spending</u> Director Battani stated the purpose of the resolution is to allow management to continue to utilize spending authority until an approved budget for FY 2010-2011 can be adopted by the Board which is due to be finalized no later than July 31, 2010. **G. Medical Staff President's Report** Dr. Sharma announced that a guest speaker will be presenting to the medical staff about Vitamin D deficiency and everyone is welcome to attend.	Director Bonta made a motion to approve Resolution 2010 – 1H Extension of Spending. Mr. McCormick seconded the motion. The motion carried unanimously.
7. General Public Comments	None at this time.	
8. Board Comments		
9. Adjournment		A motion was made to adjourn the meeting and being no further business, the meeting was adjourned at 9:10 p.m.

Attest:

Jordan Battani
President

Robert Bonta
Secretary

Alameda Hospital

CITY OF ALAMEDA HEALTH CARE DISTRICT

Minutes of the Board of Directors

Special Meeting
June 23, 2010

Directors Present:
Robert Bonta
Robert Deutsch, MD
J. Michael McCormick
Leah D. Williams

Management Present:
Deborah E. Stebbins
Kerry J. Easthope
David A. Neapolitan

Medical Staff Present:

Legal Counsel Present:
Thomas Driscoll, Esq. (via teleconference)

Excused:
Jordan Battani
Alka Sharma, MD

Submitted by:
Kristen Thorson

Topic	Discussion	Action / Follow-Up
I. Call to Order	Rober Deutsch, MD called the Open Session of the Board of Directors of the City of Alameda Health Care District to order at 7:36 a.m.	
II. Roll Call	Kristen Thorson called roll, noting that a quorum of Directors were present.	
III. Regular Agenda	A. Chief Executive Officer's Report 1) Recommendation to approve C.N.A. (California Nurses Association) – Memorandum of Understanding (Agreement) Ms. Stebbins recommended that the Board of Directors approve the renewal of the District's Memorandum of Understanding (MOU) with the California Nurses Association (C.N.A.). Ms. Stebbins reviewed the more significant issues/ changes to the MOU and are outlined below. **Term**: Three years: July 1, 2009 through June 30, 2012 **Wages:** No wage increases during the term of the agreement	Director McCormick made a motion to approve the terms of the C.N.A. Memorandum of Understanding (Agreement) as presented. Director Williams seconded the motion. The motion carried unanimously.

Creation of a joint labor-management Recruitment and Retention Committee in the event wages become an issue for either recruitment or retention (CEO has final approval and it's exempt from grievance/arbitration process)

Removed the cap on wages for hiring experienced RNs

Clarified the differential to be paid when a shift crosses over from days/pm's and pm/nights

Established a Charge Nurse role at the same wage rate as the existing SN IIIs with a delayed implementation

Agreed to use "best efforts" not to schedule lunch during the first or last two hours of the shift.

Agreed to equitably distribute overtime to full and part time RNs

Agreed to equitably distribute voluntary EA days

Clarified existing language to provide protection from disciplinary action on absences protected under FMLA, etc.

Provided mostly preventative health upgrades to the plan in exchange for an increase to the out-of-pocket maximums. This gives RNs access to the FSA; however, they chose not to accept the Opt-Out option.

Education Leave: Added Home Study

Change in Ops: Clarified the Hospital's responsibility to the MOU in the event of a sale, merger or change of ownership.

SN (Staff Nurse) III: Moved this topic to a joint subcommittee to refresh the threshold requirements to become a SNIII.

Director Bonta asked how the nurses (C.N.A.) were trending on wages before they agreed to no wage increases. Ms Stebbins stated that they were at 2.5% every 6 months. There was also discussion during negotiations that keeping wages flat over the 3 year term could impair recruitment and retention of nurses which in turn prompted the creation of a joint labor-management Recruitment and Retention Committee. Mr. McCormick asked about other terms that had a financial impact compared to the previous MOU. Mr. Easthope indicated that C.N.A. agreed to higher out of pocket health care premiums.

Ms. Stebbins stated that President, Jordan Battani had written a statement regarding the union

	negotiations that she requested be read at the meeting in her absence. *"I have just finished reading the materials about the CNA memo of understanding (MOU) that will be reviewed and voted on at the Alameda Health Care District Board meeting on June 23rd. Unfortunately, I am unable to attend the meeting, and as a result I am unable to participate in the vote on this important issue. Nevertheless, I wanted to be certain to express how impressed I am with the work that was done by all parties – our management team, the representatives from CNA and our own nursing staff, who I understand have ratified and endorsed the documents I have been reviewing. I am well aware of the level of effort it has required for all the participants to carefully work through the difficult and complex issues that had to be resolved to reach this agreement. It's a significant and impressive achievement – particularly in light of the very difficult year we have all just completed. The fact that our organizations have been able to work together so effectively to reach this balanced agreement clearly represents our common commitment to the health and safety of our community and our organizations. Please accept my congratulations on your achievement, and my thanks for your commitment to the Hospital and the Health Care District." – Jordan Battani, Board President* Ms. Stebbins also acknowledged the nurses commitment to the district / hospital and thanked Kerry Easthope, Associate Administrator and Phyllis Weiss. Director of Human Resources for their hard work and a successful negotiation of the C.N.A contract.	
IV. General Public Comments	None.	
V. Board Comments	Both Director Bonta and Deutsch commended management, the leadership of C.N.A. and all of the nurses for a successful end to negotiations.	
VI. Adjournment		A motion was made to adjourn the meeting and being no further business, the meeting was adjourned at 8:03 a.m.

Attest:

Jordan Battani
President

Robert Bonta
Secretary

THE CITY OF ALAMEDA HEALTH CARE DISTRICT

ALAMEDA HOSPITAL

UNAUDITED FINANCIAL STATEMENTS

FOR THE PERIOD ENDING MAY 31, 2010

CITY OF ALAMEDA HEALTH CARE DISTRICT
ALAMEDA HOSPITAL
MAY 31, 2010

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ALAMEDA HOSPITAL
MANAGEMENT DISCUSSION AND ANALYSIS
MAY, 2010

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 May 31, 2010 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 May 31, 2010

- Gross patient revenue was less than budget by $7,418,000 or 27.6%. Inpatient revenue was less than budgeted by 17.7% and outpatient revenue was 40.9% less than budgeted. On an adjusted patient day basis gross patient revenue was 12.8% less than budgeted at $4,867 compared to a budgeted amount of $5,583.

- Total patient days were 2,620 compared to the prior month's total patient days of 2,544 and the prior year's 2,717 total patient days. The average daily acute care census was 27.6 compared to a budget of 34.3 and an actual average daily census of 27.9 in the prior month; the average daily Sub-Acute census was 33.5 versus a budget of 33.3 and 33.9 in the prior month and the Skilled Nursing program had an average daily census of 23.2 versus a budget of 21.5 and prior month census of 23.0, respectively.

- Emergency Care Center visits were 1,436 but were 2.0% less than the budgeted 1,465 visits and were less than the prior year's visits of 1,599.

- Total Alameda Physician surgery cases were 6.2% greater than budget at 155 versus the budgeted 146 cases but were 19.3% less than April's surgical cases of 192.

- Outpatient registrations were 33.5% below budgeted targets at 1,972 but were slightly greater than the prior month's 1,954 registrations and were 20.8% lower than the prior year's 2,491 registrations.

- Combined excess expenses over revenue (loss) for May was $107,000 versus a budgeted excess of revenues over expenses (profit) of $21,000.

- Total assets decreased by $622,000 from the prior month as a result of a decrease in current assets of $572,000, a decrease in net fixed assets of $62,000 and an increase in restricted contributions of $11,000. The following items make up the increase in current assets:

  - Total unrestricted cash and cash equivalents for May decreased by $2,361,000. This decrease was the result of the transfer of $2 million to the Department of Health Care Services in order to participate in the intergovernmental transfer program. These funds plus the Federal government's match of $2.2 million was returned to the hospital on June 3, 2010. As a result of these items day's cash on hand decreased to 3.9 at May 31, 2010 from April's 15.9 days. If the transfer had been received prior to month-end the organization's day's cash on hand would have been 25.3.

  - Net patient accounts receivable decreased in May by $5,000 compared to an increase of $78,000 in April. Day's in outstanding receivables increased to 60.3 in May from 53.7 at April 30, 2010. This increase in day's outstanding was the result of a decline in cash collections in May ($4.5 million) coupled with the decline in average daily revenues which declined to $715,000 from $776,000. However, cash collections per day have increased by 11.5% over the prior year's average daily collections.

- Estimated third-party settlement receivable decreased by $189,000 as a result of the receipt of Distinct Part Skilled Nursing Supplemental receivables for the four quarters ended July 31, 2009.

- Other assets increased by $1,973,000 as a result of the transfer of $2 million to the Department of Health Care Services for the IGT program which will be returned in June offset by the monthly amortization of prepaid expenses and deposits of $102,000.

- Total liabilities decreased by $526,000 compared to a decrease of $805,000 in the prior month. This decrease was the result of the following:

  - Accounts payable and accrued expenses decreased by $26,000. As a result of this decrease and the increase in accrued payroll and benefits liabilities of $455,000 coupled with a slight decrease in the year to date average daily expenses, the average payment period increased in May to 62.5 from 59.8 as of April 30, 2010.

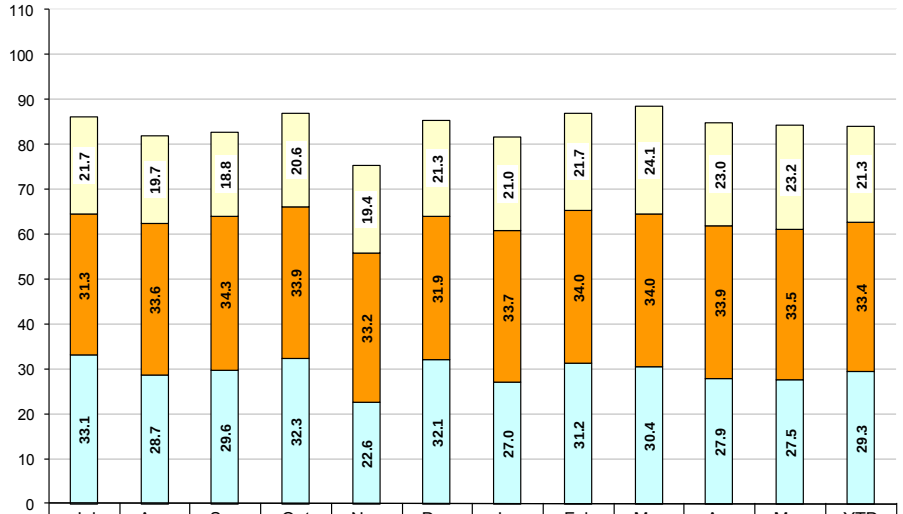
  - Payroll and benefit related accruals increased by $455,000 from the prior month. This increase was the result of an increase in payroll and related payroll tax accruals of $456,000, increased accruals for employee health insurance benefits coverage of $121,000 offset by the reversal of accruals for potential bargaining unit wage adjustments of $134,000 that had been accrued during the course of the fiscal year.

  - Estimated third-party payer settlement payable decreased by $440,000 as a result of the release of prior year audited Medi-Cal cost report settlements.

  - Other liabilities decreased by $477,000 as a result of the amortization of one month's deferred revenue related to the 2009/2010 parcel tax revenues.

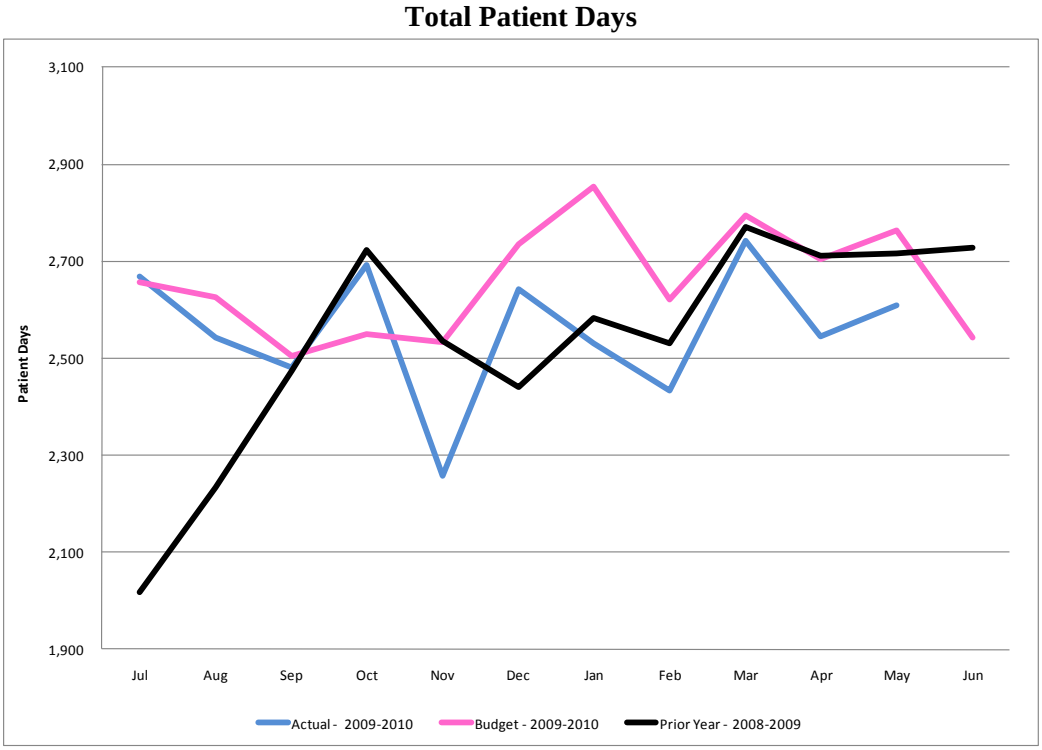
Volumes

The combined actual daily census was 84.2 versus a budget of 89.1. May's lower than budgeted census was primarily a result of lower than budgeted census in the acute care program which was 19.7% lower than budgeted with an average daily census of 27.6 versus the budgeted 34.3. The Sub-Acute program was slightly greater than budgeted with an average daily census of 33.5 versus a budgeted census of 33.3 while the Skilled Nursing program was 7.6% better than budgeted with an average daily census of 23.2 versus a budgeted census of 21.5.



	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	YTD
Actual SNF	21.7	19.7	18.8	20.6	19.4	21.3	21.0	21.7	24.1	23.0	23.2	21.3
Actual Sub-Acute	31.3	33.6	34.3	33.9	33.2	31.9	33.7	34.0	34.0	33.9	33.5	33.4
Actual Acute	33.1	28.7	29.6	32.3	22.6	32.1	27.0	31.2	30.4	27.9	27.5	29.3

Total patient days in May were 5.5% less than budgeted and were 3.9% less than prior year volumes. The graph below shows the total patient days by month for fiscal year 2010.

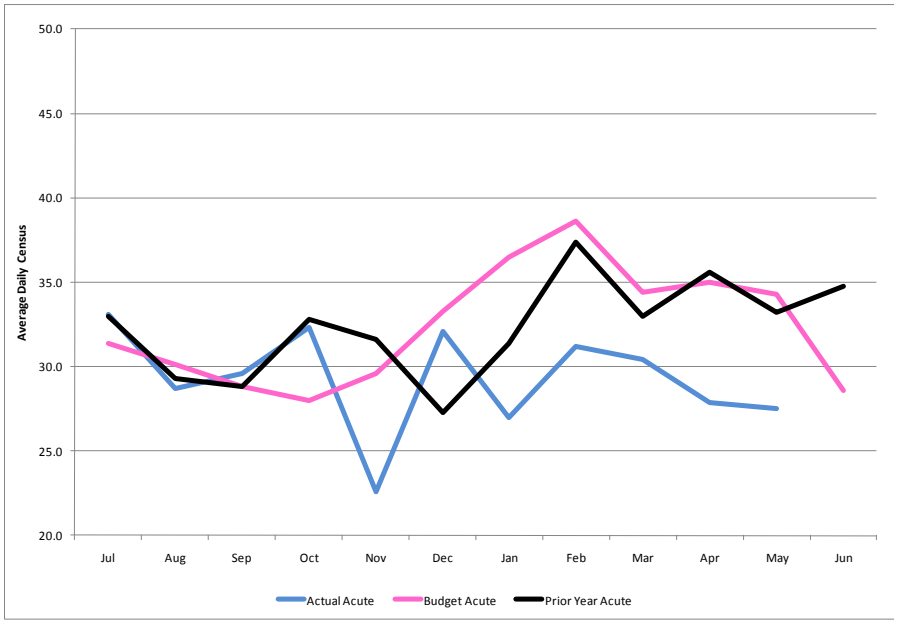


The various inpatient components of our volumes for the month of May are discussed in the following sections.

Acute Care

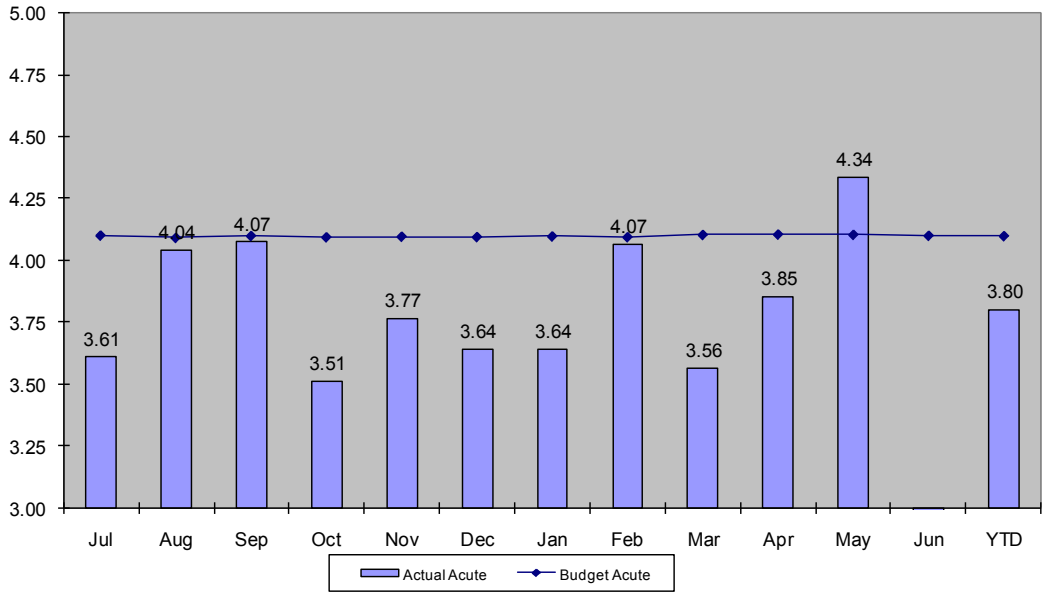
The acute care patient days were 19.7% (209 days) less than budgeted and were 17.1% less than the prior year's average daily census of 33.2. The acute care program was comprised of Critical Care Unit (2.4 ADC, 22.3% unfavorable to budget), Definitive Observation Unit (8.5 ADC, 38.3% unfavorable to budget) and Med/Surg Units (16.7 ADC, 4.1% unfavorable to budget).

Inpatient Acute Care Average Daily Census



The average length of stay (ALOS) increased from that of the prior month to 4.34 days for the month of May. This brings the year-to-date ALOS to 3.80 which remains lower than our projected year to date ALOS of 4.10, and is shown in the graph below.

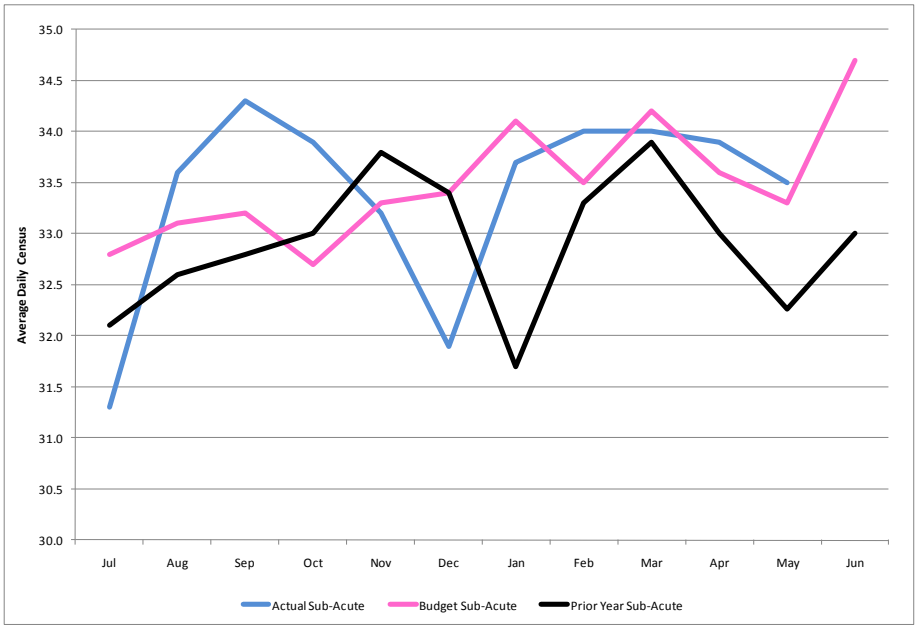
Average Length of Stay



Sub-Acute Care

The Sub-Acute program patient days were slightly greater than budget by 0.5% or 5 patient days for the month of May. The graph below shows the Sub-Acute programs average daily census for the current fiscal year as compared to budget and the prior year.

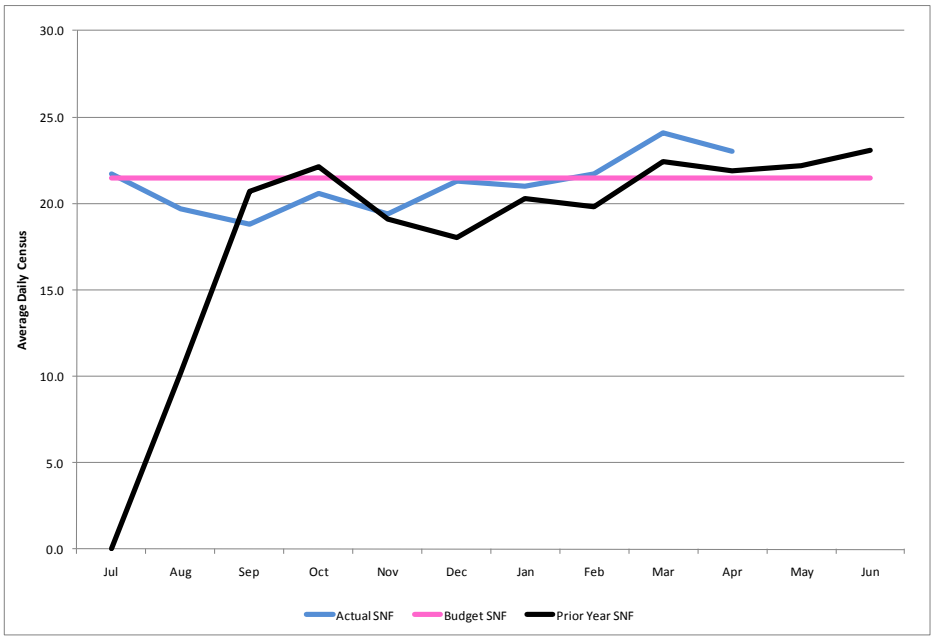
Sub-Acute Care Average Daily Census



Skilled Nursing Care

The Skilled Nursing Unit (South Shore) patient days were 7.6% or 51 patient days greater than budgeted for the month of May. Comparing performance to the prior year this program was better than May 2009 with an average daily census of 23.2 versus 22.2. The following graph show the Skilled Nursing Unit average daily census as compared to budget by month.

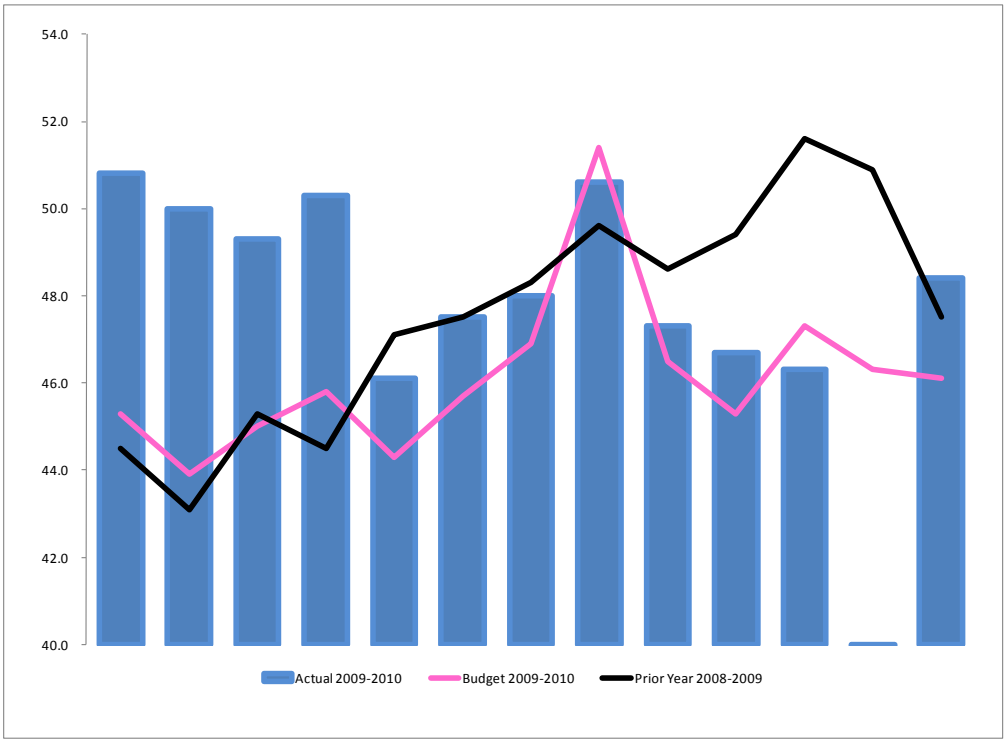
Skilled Nursing Unit Average Daily Census



Emergency Care Center

Emergency Care Center visits at 1,436 were 2.0% less than budgeted for the month of May and 14.3% of these visits resulted in inpatient admissions versus 15.6% in April. In May there were 223 ambulance arrivals versus 202 in the month of April, an increase of 10.4% from the prior month. Of the 223 ambulance arrivals 185 or 83.0% were from Alameda Fire Department ambulances. The graph below shows the Emergency Care Centers average visits per day for fiscal year 2010 as compared to budget and the prior year performance.

Emergency Care Center Visits per Day

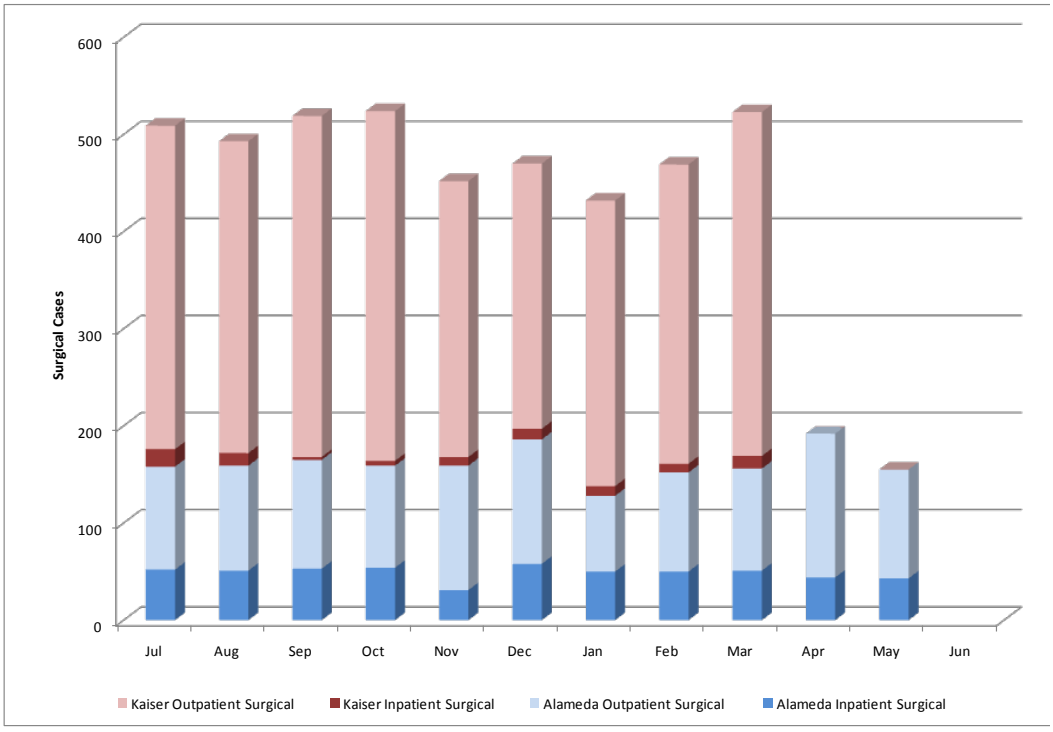


Surgery

Surgery cases were 155 versus the 507 budgeted and 501 in the prior year. The primary reason for the decline in surgical cases is related to the March 31, 2010 ending of the Kaiser contract. In May, Alameda physician cases decreased to 155 cases or 19.3% less than the prior month. The decrease of 37 cases over the prior month was the result of a decrease of 36 outpatient cases. Inpatient and outpatient cases totaled 43 and 112 versus 44 and 148 in April, respectively. The decrease was driven by decreases in Ophthalmology (18), Gastroenterology (10), General (5) and Orthopedic (4).

The graph on the following page shows the number of surgical cases by month for fiscal year 2010.

Surgical Cases

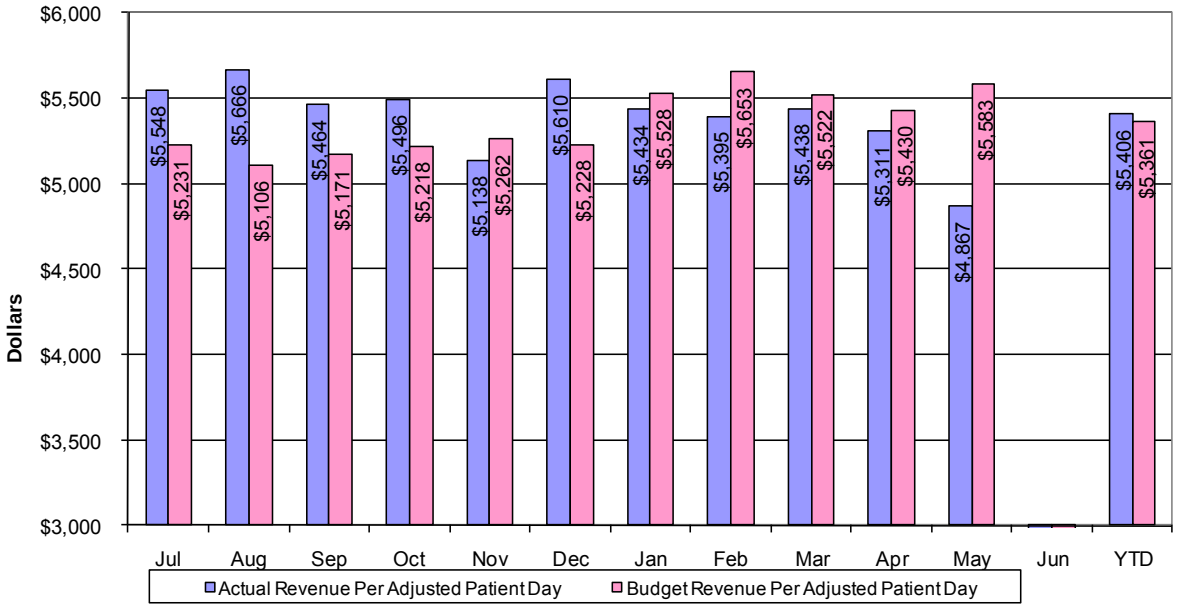


Income Statement

Gross Patient Charges

Gross patient charges in May were less than budgeted by $7,418,000. This unfavorable variance was comprised of unfavorable variances of $2,724,000 and $4,694,000 in inpatient and outpatient revenues respectively. On an adjusted patient day basis total patient revenue was $4,867 versus the budgeted $5,583 or a 12.8% unfavorable variance from budget for the month of May.

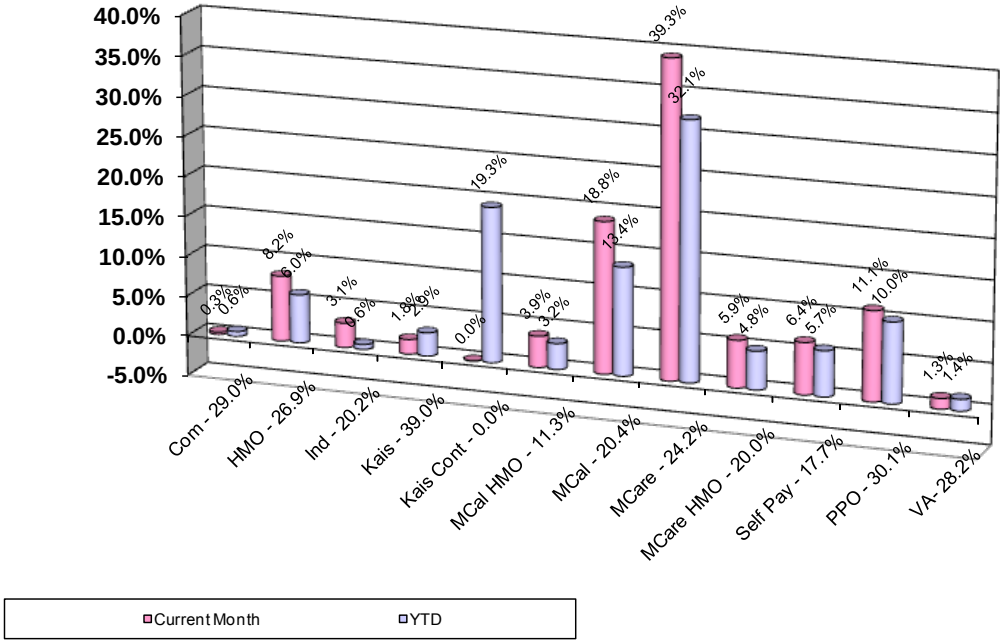
Gross Charges per Adjusted Patient Day



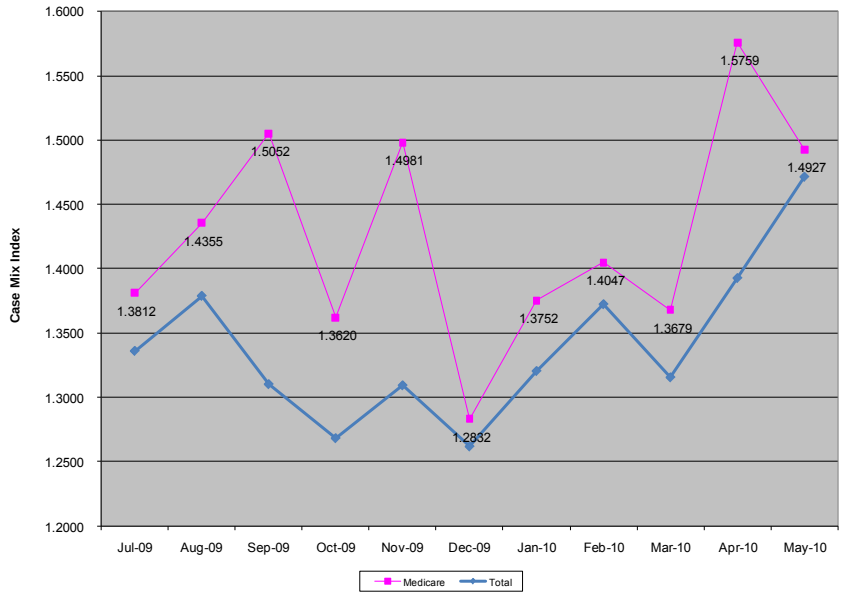
Payor Mix

Medicare total gross revenue in May made up 39.3% of our total gross patient revenue. Medicare was followed by HMO/PPO utilization at 19.3%, Medi-Cal utilization at 18.8% and self pay at 6.4%. The graph below shows the percentage of 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.

Combined Payor Mix



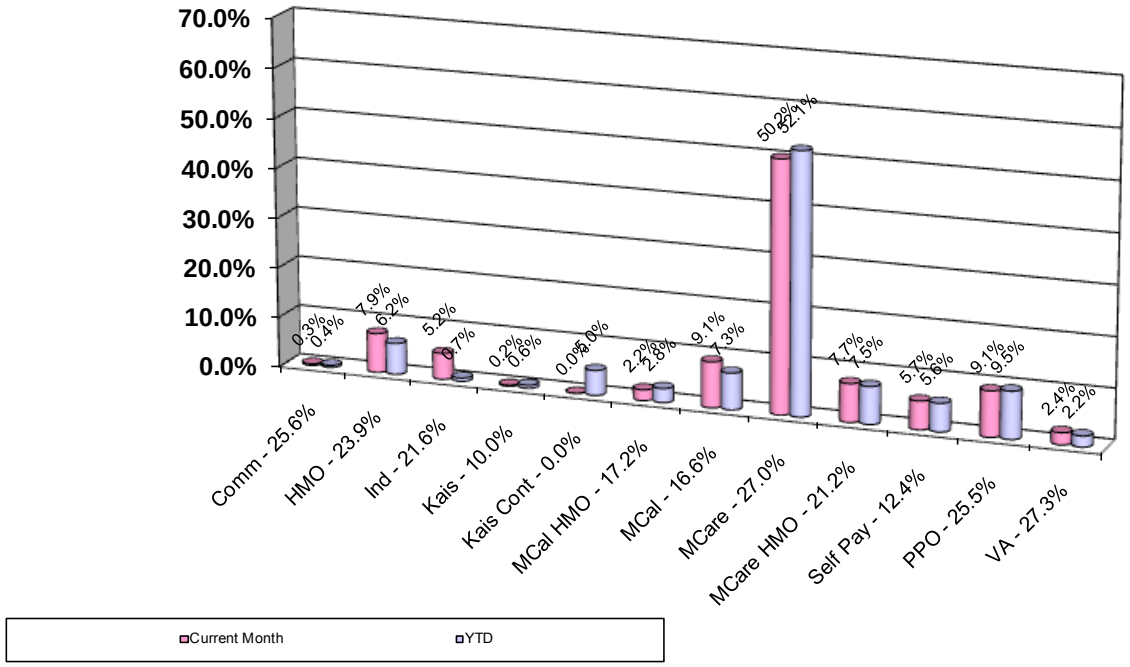
Current month gross Medicare charges made up 50.2% of our total inpatient acute care gross revenues followed by HMO/PPO at 17.0% and Medi-Cal at 9.1%. The hospitals overall Case Mix Index (CMI) increased to 1.4927 from 1.4711 in the prior month while the Medicare CMI decreased over the prior month from 1.5759 in April to 1.4927 in May. In May there were no outlier cases in the month. The overall Medicare reimbursement remained at 27.0% in May. The graph below shows the CMI for the hospital during the current fiscal year.



The overall net patient revenue percentage increased from the prior month as a result of the change in payor mix

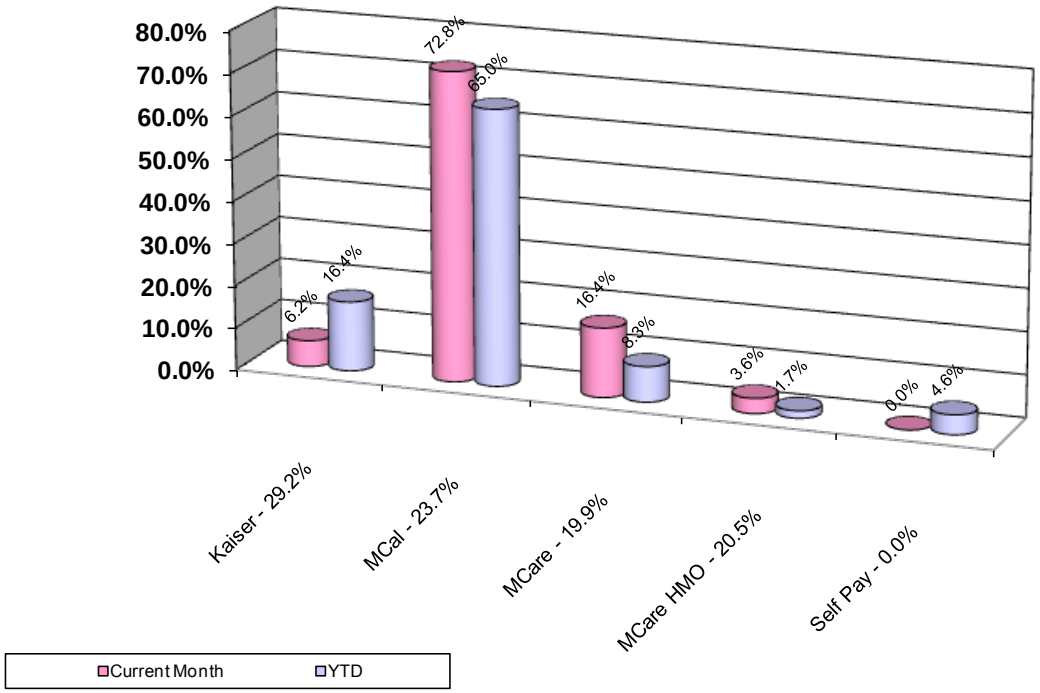
(increased HMO/PPO volumes), higher acuity level of inpatients treated during the month, the inclusion of $440,000 of audited Medi-Cal cost report settlements for FY 2009, these factors resulted in the overall estimated reimbursement for May to be 25.7% (23.4% without 3rd Party Settlement) versus 25.2% in April (23.9% without the additional AB915 accrual). The graph below shows the current month and year to date payor mix and current month estimated net revenue percentage for fiscal year 2010.

Inpatient Acute Care Payor Mix



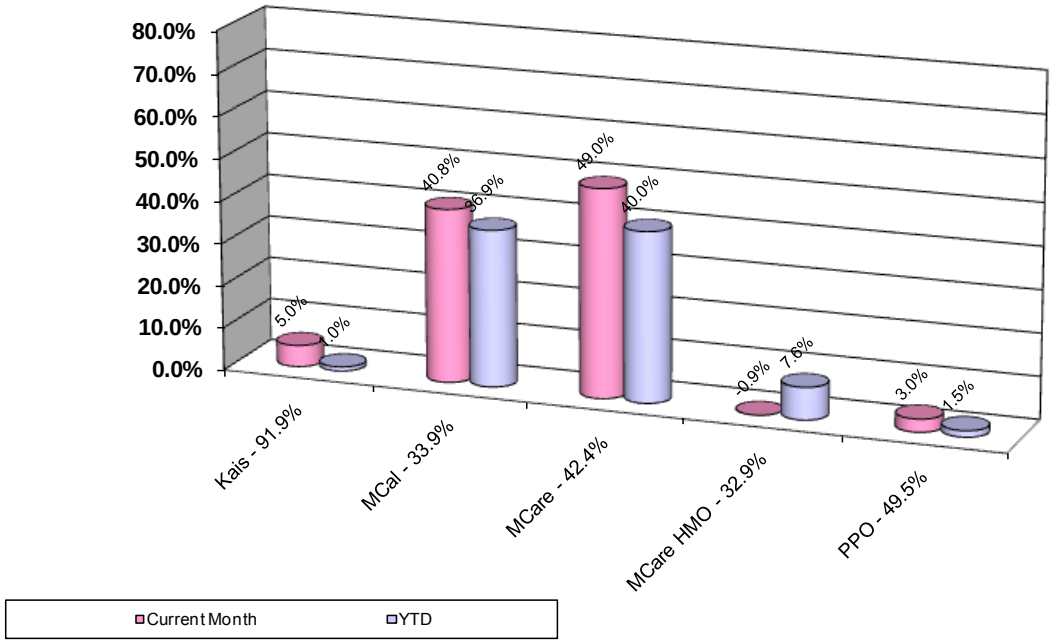
In May the Sub-Acute care program again was dominated by Medi-Cal utilization of 72.8% versus 71.5% in April. The graph on the following page shows the payor mix for the current month and fiscal year to date and the current months estimated reimbursement rate for each payor.

Inpatient Sub-Acute Care Payor Mix



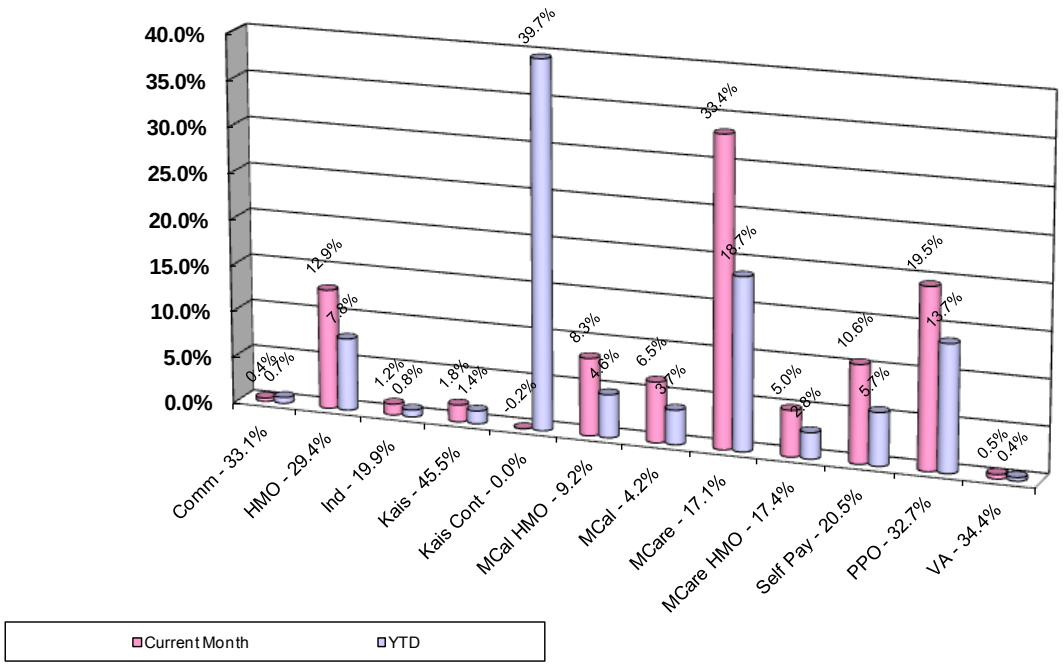
In May the Skilled Nursing program was again comprised primarily of Medicare at 49.0% and Medi-Cal at 40.8%. The graph below shows the current month and fiscal year to date skilled nursing payor mix and the current months estimated level of reimbursement for each payor.

Inpatient Skilled Nursing Payor Mix



The outpatient gross revenue payor mix for May was comprised of 33.4% Medicare, 19.5% PPO, 12.9% HMO and 10.6% 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.

Outpatient Services Payor Mix

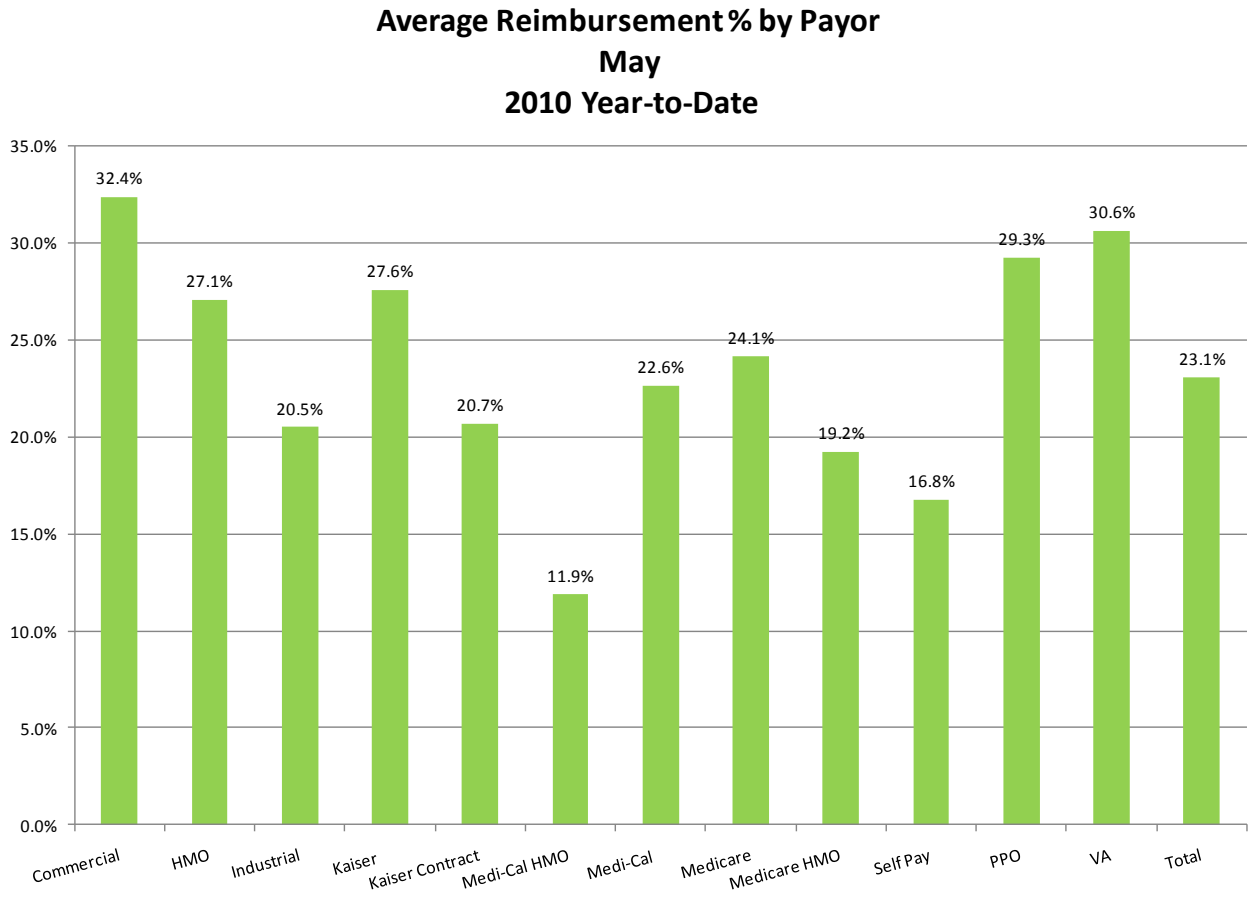


Deductions from Revenue

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 May contractual allowances, bad debt and charity adjustments (as a percentage of gross patient charges) were 74.3% versus the budgeted 78.4%.

Net Patient Service Revenue

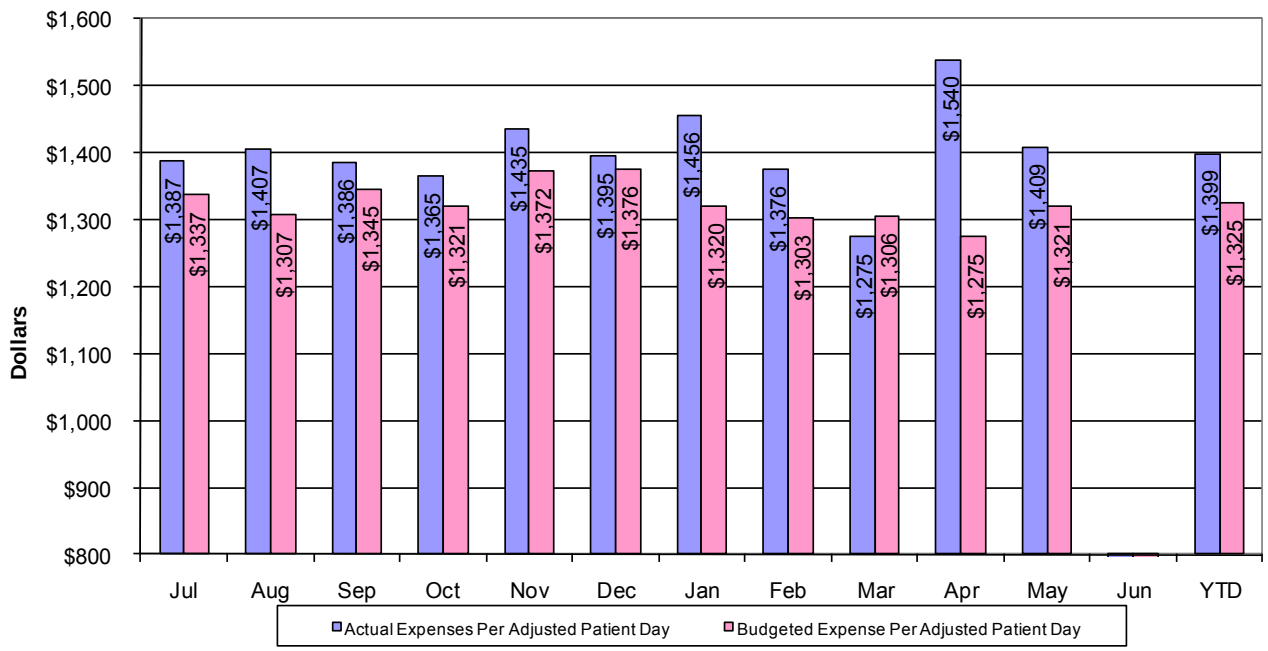
Net patient service revenues are the resulting difference between gross patient charges and the deductions from revenue. This difference reflects what the anticipated cash payments the Hospital is expecting to receive for the services provided. The graph on the following page shows the level of reimbursement that the Hospital has estimated for fiscal year 2010 by major payor category.



Total Operating Expenses

Total operating expenses were less than the fixed budget by $726,000 or 11.4%. On an adjusted patient day basis, our cost per adjusted patient day was $1,409 which was $88 per adjusted patient day unfavorable to budget. This variance in expenses per adjusted patient day was the result of unfavorable variances in virtually all expense categories. The graph on the following page shows the hospital operating expenses on an adjusted patient day basis for the 2010 fiscal year by month and is followed by explanations of the significant areas of variance that were experienced in the current month.

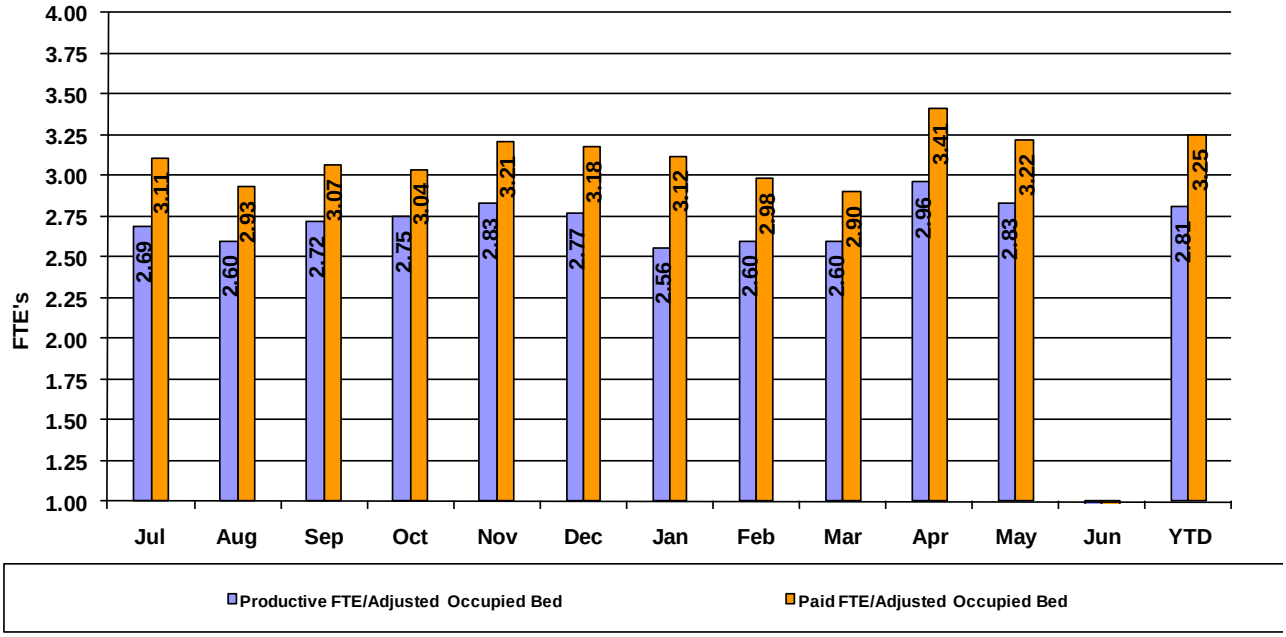
Expenses per Adjusted Patient Day



Salary and Registry Expenses

Salary and registry costs combined were favorable to the fixed budget by $289,000 but were unfavorable to budgeted levels on a per adjusted patient day basis in May by $66. The majority to the variance from the fixed budget related to surgical services departments which contributed $208,000 toward this favorable variance followed by the combined inpatient nursing units which were $63,000 favorable to the fixed budget. On an adjusted occupied bed basis, productive FTE's were 2.8 in May versus the budgeted 2.6. The graph below shows the productive and paid FTE's per adjusted occupied bed for FY 2010 by month and year to date.

FTE's per Adjusted Occupied Bed

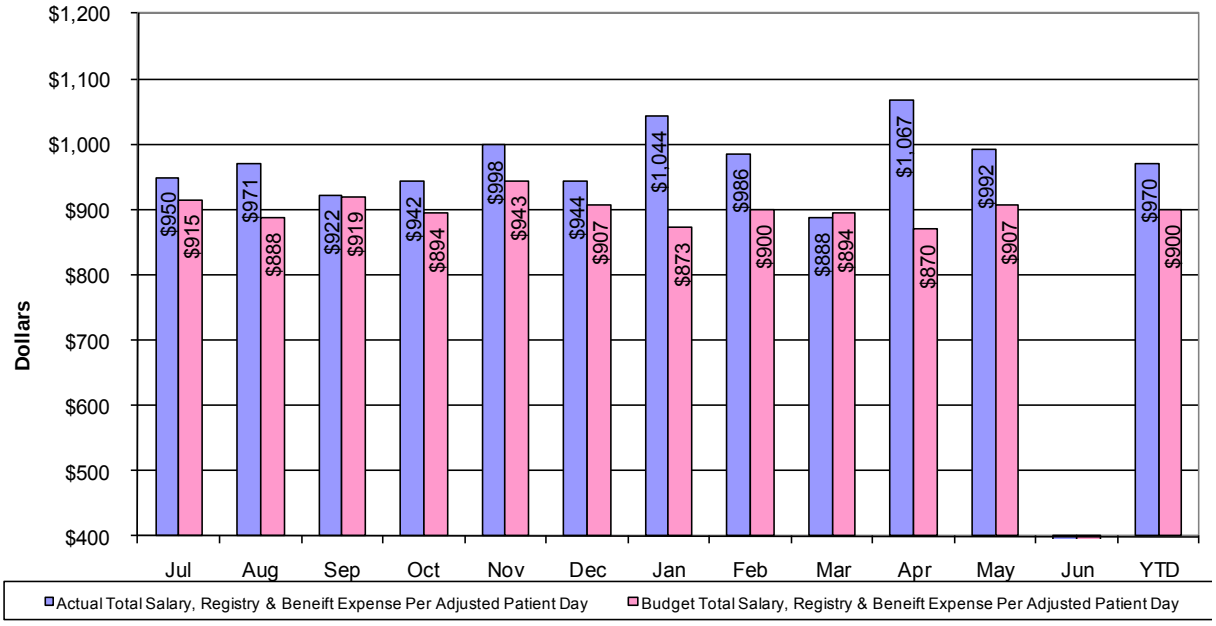


Benefits

Benefit costs were $71,000 favorable to the fixed budget and were $21 unfavorable to budget on an adjusted patient day basis in May. Benefit costs were favorable to the fixed budget as a result of lower than budgeted payroll taxes ($32,000), pension and group health costs ($20,000) and other benefit accrual adjustments ($71,000) offset by additional estimated accruals for time off benefits ($70,000) and workers compensation insurance ($14,000) for the current month.

The following graph shows the combined salary, registry and benefit costs on an adjusted patient basis for FY 2010 by month.

Salary, Registry and Benefit Cost per APD



Professional Fees

Professional fees were favorable to budget by $70,000 and $3 per adjusted patient day favorable to budget. This favorable variance was the result of $26,000 less in medical professional fees and $44,000 less in non-medical professional fees. The majority of the favorable variance in medical professional fees was related to budgeted amounts for physician services in the Community Clinic that are actually reflected in the salary and wage classification. In the non-medical grouping which includes consulting and management, audit and legal fees, lower than budgeted consulting and management and legal fees were responsible for the favorable variance in this category.

Supplies

Supply expense was favorable to budget by $122,000 and only $4 per adjusted patient day unfavorable to budget. This favorable variance from the fixed budget was the result of favorable variances in both medical and non-medical supplies of $86,000 and $36,000, respectively. On the medical side we experienced favorable variances in surgical supplies ($100,000), pharmacy supplies ($67,000) and other medical supplies ($30,000) offset by greater than budgeted prosthesis supplies of ($113,000). The higher prosthesis costs were driven by the use of $58,000 in nerve stimulators, $47,000 in pacemakers and $40,000 in hip and knee devices.

Purchased Services

Purchased services was favorable to the fixed budget by $54,000 but were $4 per adjusted patient day unfavorable to budget as a result of variable variances of $40,000 and $35,000 in purchased services medical and repairs and maintenance, respectively. These favorable variances were offset by an unfavorable variance in non-medical purchased services. The unfavorable variance in non-medical purchased services was caused by additional fees

paid to the consultant who assisted with the Intergovernmental Transfer (IGT) program while the favorable variances in medical purchased services was the result of lower than budgeted renal dialysis care services in the current month ($7,000) and the true up of previously accrued amounts ($15,000). The favorable variance in repairs and maintenance was the result of lower than budgeted expenses across the organization.

Rents and Leases
Rents and lease expense was unfavorable to budget by $9,000 or $5 per adjusted patient day unfavorable as a result of the accrual of prior period invoices for the rental of respirators ($5,000 from August and $10,000 from April).

Utilities and Telephone
Utilities and telephone was favorable to budget by $26,000 or $3 per adjusted patient day favorable to budget as a result of lower actual natural gas utilization in April which was adjusted in May and used to then estimate the accrual for May.

Depreciation Expense
Depreciation expense was $54,000 or $8 per adjusted patient day favorable to budget as a result of additional pieces of equipment becoming fully depreciated in addition to the equipment that became fully depreciated in June 2009. The majority of the equipment that became fully depreciated in March was our CT scanner.

The following pages include the detailed financial statements for the eleven months ended May 31, 2010.

ALAMEDA HOSPITAL
Balance Sheet
May 31, 2010

	May 31,2010	April 30,2010	Audited June 30, 2009
Assets			
Current assets:			
Cash and cash equivalents	$ 760,873	$ 3,122,199	$ 1,866,540
Net Accounts Receivable	9,725,093	9,730,369	10,069,536
Net Accounts Receivable %	22.19%	22.75%	22.15%
Inventories	1,303,789	1,292,593	1,291,072
Est.Third-party payer settlement receivable	391,395	580,774	351,648
Other assets	3,526,451	1,553,392	6,920,987
Total Current Assets	15,707,601	16,279,327	20,499,783
Restricted by contributors and grantors for capital acquisitions and research-Jaber Estate	468,534	457,464	468,209
Total Non-Current Assets	468,534	457,464	468,209
Fixed Assets:			
Land	877,945	877,945	877,945
Depreciable capital assets, net of accumulated depreciation	5,853,966	5,915,528	6,029,967
Total fixed assets, net of accumulated depreciation	6,731,911	6,793,473	6,907,912
Total Assets	$ 22,908,046	$ 23,530,264	$ 27,875,904
Liabilities and Net Assets			
Current Liabilities:			
Current portion of long term debt	$ 419,214	$ 421,262	$ 436,733
Accounts payable and accrued expenses	6,260,012	6,286,106	6,244,967
Payroll and benefit related accruals	5,306,426	4,851,579	3,765,683
Est.Third-party payer settlement payable	445,550	885,550	306,588
Other liabilities	1,252,891	1,729,516	7,274,242
Total Current Liabilities	13,684,093	14,174,013	18,028,213
Long-Term Liabilities.			
Debt borrowings net of current maturities	1,307,162	1,343,064	1,733,631
Total Long-Term Liabilities	1,307,162	1,343,064	1,733,631
Total Liabilities	14,991,255	15,517,077	19,761,844
Net Assets			
Unrestricted Funds	7,378,257	7,485,723	7,615,851
Restricted Funds	538,534	527,464	498,209
Net Assets	7,916,791	8,013,187	8,114,060
Total Liabilities and Net Assets	$ 22,908,046	$ 23,530,264	$ 27,875,904

City of Alameda Health Care District

Statements of Operations

May 31, 2010

$'s in thousands

	Current Month					Year-to-Date				
	Actual	Budget	$ Variance	% Variance	Prior Year	Actual	Budget	$ Variance	% Variance	Prior Year
Revenues										
Gross Inpatient Revenues	$ 12,702	$ 15,426	$ (2,724)	-17.7%	$ 13,807	$ 152,025	$ 157,339	$ (5,314)	-3.4%	$ 146,217
Gross Outpatient Revenues	6,780	11,474	(4,694)	-40.9%	11,830	107,383	115,971	(8,588)	-7.4%	110,763
Total Gross Revenues	19,482	26,900	(7,418)	-27.6%	25,637	259,408	273,310	(13,901)	-5.1%	256,981
Contractual Deductions	13,522	20,489	6,967	34.0%	19,225	191,799	205,664	13,864	6.7%	191,471
Bad Debts	586	513	(73)	-14.2%	866	5,842	5,147	(695)	-13.5%	6,942
Charity and Other Adjustments	374	99	(275)	-276.8%	94	1,013	995	(17)	-1.7%	965
Net Patient Revenues	5,001	5,799	(798)	-13.8%	5,453	60,754	61,504	(750)	-1.2%	57,603
Net Patient Revenue %	25.7%	21.6%			21.3%	23.4%	22.5%			22.4%
Net Clinic Revenue	44	64	(20)	-31.5%	-	155	642	(487)	-75.9%	-
Other Operating Revenue	(7)	15	(22)	-143.8%	13	410	166	244	147.0%	162
Total Revenues	**5,038**	**5,879**	**(840)**	-14.3%	**5,466**	**61,320**	**62,312**	**(992)**	-1.6%	**57,765**
Expenses										
Salaries	2,971	3,260	289	8.9%	3,062	34,379	34,453	74	0.2%	31,831
Registry	144	182	39	21.2%	240	1,863	1,899	37	1.9%	2,420
Benefits	855	926	71	7.6%	869	10,308	9,903	(405)	-4.1%	9,224
Professional Fees	278	349	70	20.2%	241	3,214	3,768	554	14.7%	3,253
Supplies	704	827	122	14.8%	739	9,160	8,666	(494)	-5.7%	8,309
Purchased Services	349	403	54	13.4%	364	4,215	4,344	129	3.0%	3,733
Rents and Leases	80	71	(9)	-12.2%	60	794	772	(22)	-2.9%	651
Utilities and Telephone	53	79	26	32.8%	64	763	857	94	11.0%	775
Insurance	43	46	4	7.7%	37	487	499	12	2.5%	498
Depreciation and amortization	80	134	54	40.4%	111	1,053	1,439	385	26.8%	1,312
Other Opertaing Expenses	81	88	7	7.6%	82	890	948	59	6.2%	827
Total Expenses	**5,639**	**6,365**	**726**	11.4%	**5,869**	**67,125**	**67,548**	**423**	0.6%	**62,833**
Operating gain (loss)	**(601)**	**(486)**	**(114)**	-23.5%	**(403)**	**(5,805)**	**(5,236)**	**(569)**	10.9%	**(5,069)**
Non-Operating Income / (Expense)										
Net Non-Operating Income / (Expense)	**493**	**507**	**(14)**	**-2.7%**	**483**	**5,452**	**5,576**	**(124)**	**-2.2%**	**5,400**
Excess of Revenues Over Expenses	**$ (107)**	**$ 21**	**$ (128)**	**-624.2%**	**$ 80**	**$ (353)**	**$ 340**	**$ (692)**	**-203.9%**	**$ 331**

City of Alameda Health Care District

Statements of Operations - Per Adjusted Patient Day

May 31, 2010

	Current Month					Year-to-Date				
	Actual	Budget	$ Variance	% Variance	Prior Year	Actual	Budget	$ Variance	% Variance	Prior Year
Revenues										
Gross Inpatient Revenues	$ 3,173	$ 3,202	$ (28)	-0.9%	$ 2,738	$ 3,165	$ 3,087	$ 79	2.6%	$ 3,000
Gross Outpatient Revenues	1,694	2,381	(688)	-28.9%	2,346	2,236	2,275	(39)	-1.7%	2,272
Total Gross Revenues	4,867	5,583	(716)	-12.8%	5,084	5,401	5,362	40	0.7%	5,272
Contractual Deductions	3,378	4,252	875	20.6%	3,812	3,994	4,035	41	1.0%	3,928
Bad Debts	146	106	(40)	-37.5%	172	122	101	(21)	-20.5%	142
Charity and Other Adjustments	93	21	(73)	-353.5%	19	21	20	(2)	-8.0%	20
Net Patient Revenues	1,249	1,204	46	3.8%	1,081	1,265	1,207	58	4.8%	1,182
Net Patient Revenue %	25.7%	21.6%			21.3%	23.4%	22.5%			22.4%
Net Clinic Revenue	11	13	(2)	-17.6%	-	3	13	(9)	-74.4%	-
Other Operating Revenue	(2)	3	(5)	-152.7%	3	9	3	5	162.2%	3
Total Revenues	**1,259**	**1,220**	**38**	3.2%	**1,084**	**1,277**	**1,223**	**54**	4.4%	**1,185**
Expenses										
Salaries	742	677	(66)	-9.7%	607	716	676	(40)	-5.9%	653
Registry	36	38	2	5.1%	48	39	37	(2)	-4.1%	50
Benefits	214	192	(21)	-11.2%	172	215	194	(20)	-10.5%	189
Professional Fees	70	72	3	3.9%	48	67	74	7	9.5%	67
Supplies	176	172	(4)	-2.6%	146	191	170	(21)	-12.2%	170
Purchased Services	87	84	(4)	-4.3%	72	88	85	(3)	-3.0%	77
Rents and Leases	20	15	(5)	-35.1%	12	17	15	(1)	-9.2%	13
Utilities and Telephone	13	16	3	19.1%	13	16	17	1	5.5%	16
Insurance	11	10	(1)	-11.0%	7	10	10	(0)	-3.5%	10
Depreciation and Amortization	20	28	8	28.2%	22	22	28	6	22.3%	27
Other Operating Expenses	20	18	(2)	-11.3%	16	19	19	0	0.4%	17
Total Expenses	**1,409**	**1,321**	**(88)**	-6.6%	**1,164**	**1,398**	**1,325**	**(73)**	-5.5%	**1,289**
Operating Gain / (Loss)	**(150)**	**(101)**	**(49)**	-48.6%	**(80)**	**(121)**	**(102)**	**(18)**	17.7%	**(104)**
Net Non-Operating Income / (Expense)	**123**	**105**	**18**	**17.1%**	**96**	**114**	**109**	**4**	**3.8%**	**111**
Excess of Revenues Over Expenses	**$ (27)**	**$ 4**	**$ (31)**	-730.9%	**$ 16**	**$ (7)**	**$ 7**	**$ (14)**	-203.3%	**$ 7**

ALAMEDA HOSPITAL
KEY STATISTICS
MAY 2010

	ACTUAL MAY 2010	CURRENT FIXED BUDGET	VARIANCE (UNDER) OVER	%	MAY 2009	YTD MAY 2010	YTD FIXED BUDGET	VARIANCE	%	YTD MAY 2009
Discharges:										
Total Acute	197	259	(62)	-23.9%	236	2,583	2,672	(89)	-3.3%	2,561
Total Sub-Acute	1	4	(3)	-75.0%	2	13	41	(28)	-68.3%	34
Total Skilled Nursing	14	13	1	7.7%	6	116	142	(26)	-18.3%	104
	212	276	(64)	-23.2%	244	2,712	2,855	(143)	-5.0%	2,699
Patient Days:										
Total Acute	854	1,063	(209)	-19.7%	1,030	9,817	10,952	(1,135)	-10.4%	10,744
Total Sub-Acute	1,038	1,033	5	0.5%	1,000	11,183	11,187	(4)	0.0%	11,020
Total Skilled Nursing	718	667	51	7.6%	687	7,146	7,206	(60)	-0.8%	5,972
	2,610	2,763	(153)	-5.5%	2,717	28,146	29,345	(1,199)	-4.1%	27,736
Average Length of Stay										
Total Acute	4.34	4.10	0.23	5.6%	4.36	3.80	4.10	(0.30)	-7.3%	4.20
Average Daily Census										
Total Acute	27.55	34.29	(6.74)	-19.7%	33.23	29.30	32.69	(3.39)	-10.4%	32.07
Total Sub-Acute	33.48	33.32	0.16	0.5%	32.26	33.38	33.39	(0.01)	0.0%	32.90
Total Skilled Nursing	23.16	21.52	1.65	7.6%	22.16	21.33	21.51	(0.18)	-0.8%	20.59
	84.19	89.13	(4.94)	-5.5%	87.65	84.02	87.60	(3.40)	-3.9%	85.56
Emergency Room Visits	1,436	1,465	(29)	-2.0%	1,599	16,228	15,440	788	5.1%	15,810
Outpatient Registrations	1,972	2,964	(992)	-33.5%	2,491	27,004	27,996	(992)	-3.5%	27,395
Surgery Cases:										
Inpatient	43	57	(14)	-24.6%	56	628	609	19	3.1%	620
Outpatient	112	450	(338)	-75.1%	445	4,098	4,486	(388)	-8.6%	4,705
	155	507	(352)	-69.4%	501	4,726	5,095	(369)	-7.2%	5,325
Kaiser Inpatient Cases	-	7	(7)	-	7	91	96	(5)	-	93
Kaiser Eye Cases	-	180	(180)		164	1,461	1,711	(250)	-14.6%	1,789
Kaiser Outpatient Cases	-	174	(174)		172	1,417	1,695	(278)	-16.4%	1,752
Total Kaiser Cases	-	361	(361)		343	2,969	3,502	(533)	-15.2%	3,634
% Kaiser Cases	0.0%	71.2%			68.5%	62.8%	68.7%			68.2%
Adjusted Occupied Bed	128.46	152.10	23.64	15.5%	162.68	143.36	151.84	(8.48)	-5.6%	145.19
Productive FTE	365.63	390.90	25.27	6.5%	400.63	388.98	388.25	(0.73)	-0.2%	377.14
Total FTE	415.98	450.07	34.09	7.6%	443.36	443.80	445.83	2.03	0.5%	427.87
Productive FTE/Adj. Occ. Bed	2.85	2.57	(0.28)	-10.7%	2.46	2.71	2.56	(0.16)	-6.1%	2.60
Total FTE/ Adj. Occ. Bed	3.24	2.96	(0.28)	-9.4%	2.73	3.10	2.94	(0.16)	-5.4%	2.95

RESOLUTION NO. 2010-2H

BOARD OF DIRECTORS, CITY OF ALAMEDA HEALTH CARE DISTRICT

STATE OF CALIFORNIA

*** * ***

LEVYING THE CITY OF ALAMEDA HEALTH CARE DISTRICT

PARCEL TAX FOR THE FISCAL YEAR 2010-2011

WHEREAS, the Alameda County Local Agency Formation Commission ("LAFCo") resolved on January 10, 2002 to present a ballot measure to the registered voters of the City of Alameda which, if approved, would authorize the formation of the new health care district within the boundaries of the City of Alameda and authorize the District to levy a parcel tax of up to $298.00 on each parcel and possessory interest within the proposed district; and

WHEREAS, on April 9, 2002, over two-thirds of the registered voters of the City of Alameda, who voted that day, voted in favor of creating a health care district authorized to tax each parcel and possessory interest within the district's boundaries in an amount up to $298.00 per year in order to defray ongoing hospital general operating expenses and capital improvement expenses; and

WHEREAS, the City of Alameda Health Care District (the "District") was formally organized and began its existence on July 1, 2002; and

WHEREAS, without tax revenue Alameda Hospital can not fulfill its mission to serve the health needs of the Alameda City Community due to a lack of sustained revenue sufficient to finance continued operation of all necessary hospital services; and

WHEREAS, the District operates Alameda Hospital; and

WHEREAS, without the levy of a parcel and possessory interest tax in the amount of $298.00, the District's revenue stream will be insufficient to allow the provision of continued local access to emergency room care, acute hospital care, and other necessary medical services; and

WHEREAS, the District is authorized under Section 53730.01 of the California Government Code to impose special taxes on all real property within its boundaries.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the District that the District hereby levies an annual tax on every parcel and possessory interest within the District's boundaries in the amount of Two Hundred Ninety-Eight Dollars ($298.00) per year (the "Parcel Tax") in order to defray ongoing hospital general operating expenses and capital improvement expenses; provided, however, that parcels or possessory interests that have an assessed value (real property and improvements combined) of less than $30,000 shall be automatically exempt from the Parcel Tax.

PASSED AND ADOPTED on July 12, 2010 by the following vote:

AYES: _____ NOES: _____ ABSENT: _____

_____
Jordan Battani
President

ATTEST:

_____
Robert Bonta
Secretary

ALAMEDA COUNTY
AUDITOR-CONTROLLER AGENCY
PATRICK O'CONNELL
AUDITOR-CONTROLLER/CLERK-RECORDER

June 1, 2010

CITY OF ALAMEDA HEALTH CARE DISTRICT
2070 Clinton Avenue
Alameda, CA 94501
ATTN: Jordan Battani, District Board President

CERTIFICATION OF TAXES, ASSESSMENTS & FEES

The collection of the Cities, Special Districts and Schools' special taxes, assessments and fees on the Secured Tax Roll requires a Certification and Mutual Indemnification Agreement with the County.

Please have the appropriate individuals sign the enclosed agreements and return the three originals to my attention, at the Office of Auditor-Controller, 1221 Oak Street, Room 249, Oakland, CA 94612. Our office will request the Board of Supervisors to sign the agreements and mail an executed original agreement to you.

Please return your signed certification statements along with your assessments' data to our office no later than **August 10th.**

It is important to note that no assessments can be processed without the certification statements.

A reminder, due to the enactment of Assembly Bill 2670 (stats. 2006, ch.791), beginning with the 2007/2008 tax roll, the State Board of Equalization (SBE) consolidated all unitary railroad properties under one countywide tax rate area (TRA 00-002). Since special assessments for unitary railroads are now assessed at the countywide level rather than the TRA level, please submit the special charges for them with the following information: SBE utility company number, legend number and total dollar amount per legend.

If you have any questions, please call me at (510) 272-6548.

Sincerely,

Carol S. Orth, Division Chief
Tax Analysis

Chief Deputy Auditor
Steve Manning
1221 Oak St., Rm 249
Oakland, CA 94612
Tel. (510) 272-6565
Fax (510) 272-6502

Assistant Controller
Connie Land
1221 Oak St., Rm 238
Oakland, CA 94612
Tel. (510) 272-6565
Fax (510) 267-9415

Certification and Mutual Indemnification Agreement

The CITY OF ALAMEDA HEALTH CARE DISTRICT (hereafter referred to as public agency), by and through its Attorney, hereby certifies that to its best current understanding of the law, the taxes, assessments and fees placed on the 2010/11 Secured Property Tax bill by the public agency met the requirements of Proposition 218 that added Articles XIIIC and XIIID to the State Constitution.

Therefore, for those taxes, assessments and fees which are subject to Proposition 218 and which are challenged in any legal proceeding on the basis that the public agency has failed to comply with the requirements of Proposition 218; the public agency agrees to defend, indemnify and hold harmless the County of Alameda, its Board of Supervisors, its Auditor-Controller/Clerk-Recorder, its officers and employees.

The public agency will pay any final judgment imposed upon the County of Alameda as a result of any act or omission on the part of the public agency in failing to comply with the requirements of Proposition 218.

The County of Alameda, by and through its duly authorized agent, hereby agrees to defend, indemnify and hold harmless the public agency, its employees, agents and elected officials from any and all actions, causes of actions, losses, liens, damages, costs and expenses resulting from the sole negligence of the County of Alameda in assessing, distributing or collecting taxes, assessments and fees on behalf of the public agency.

If a tax, assessment or fee is challenged under Proposition 218 and the proceeds are shared by both the public agency and the County of Alameda; then the parties hereby agree that their proportional share of any liability or judgment shall be equal to their proportional share of the proceeds from the tax, assessment or fee.

The above terms are accepted by the public agency and I further certify that I am authorized to sign this agreement and bind the public agency to its terms.

CITY OF ALAMEDA HEALTH CARE DISTRICT

Dated: _____

By: _____
(Signature)

_____
(Print Name)

_____
(Print Title)

COUNTY OF ALAMEDA

Dated: _____

By: _____
(Signature)

_____
(Print Name)

_____
(Print Title)

Approved as to form:

_____
Claude Kolm, Deputy County Counsel

Alameda Hospital

CITY OF ALAMEDA HEALTH CARE DISTRICT

DATE: July 12, 2010

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

FROM: Kerry Easthope, Associate Administrator
Phyllis Weiss, Director of Human Resources

SUBJECT: Recommendation to Approve OPEIU, Local #29 Memorandum of Understanding (Agreement)

Recommendation:

Hospital Administration is hereby recommending that the City of Alameda Health Care District Board of Directors approve the renewal of the District's Memorandum of Understanding (MOU) with OPEIU, Local #29. This Union represents the Clinical Laboratory Scientists and Phlebotomists who work in the Clinical Laboratory of the Hospital. The term of the MOU is retroactive to February 1, 2010 to January 31, 2013.

The Tentative Agreements, which reflect the modifications to the existing MOU, were ratified by the Local #29 members on July 9, 2010. A summary of the more significant issues/changes to the MOU are itemized in the "discussion" section below and a complete copy of the Tentative Agreements and expired MOU are available for your review upon request.

Background:

Hospital Management has been in contract negotiations with the bargaining team from Local #29 since the contract ended in February of 2010. Members have been working under a mutually agreed to extension of the contract since that time, while the terms and conditions of a new contract were finalized. Negotiation sessions were amicable and conducted in a professional manner. There were a number of difficult issues to work through as proposed during these negotiations, including the need to deal with the challenge presented by the expiration of the Kaiser contract.

Management feels that Local #29 representatives understood and took the District's concerns on this issue very seriously as reflected in the terms of this three (3) year agreement.

Discussion:

A summary of the key issues and/or modified terms of this new MOU are as follows:

- Three (3) years term (2/1/10 – 1/31/13)
- A 12-month wage freeze from 2/1/10 to 1/31/11
- Wage openers on 2/1/11 and 2/1/12

- Clarified the internal posting process for open positions
- Clarified the language in the “Change of Operations” section
- Added new Lead Phlebotomist classification
- Provided for some enhanced health plan coverage with a modest increase to the out-of-pocket maximums and deductibles, to mirror the benefits offered to the members of the California Nurses Association.

A copy of the Tentative Agreement reached with Local #29 is attached for your reference.

Tentative Agreement
between
The Alameda Health Care District
dba Alameda Hospital
and
OPEIU Local #29

June 29, 2010

The Alameda Health Care District, dba Alameda Hospital and the OPEIU, Local #29, have reached a Tentative Agreement for a new Memorandum of Understanding as follows:

Section 2. Hiring and Probationary Period Tentative Agreement dated 2/5/10

Section 2. Hiring and Probationary Period Tentative Agreement dated 6/17/10

Section 32. Change in Operations Tentative Agreement dated 6/17/10

Side Letter – K. Najarian Tentative Agreement dated 2/24/10

The above Tentative Agreements are attached and incorporated into this final Tentative Agreement.

In addition, we have agreed to the following changes:

Section 7. Compensation

- No wage increases during the first (1st) year of the MOU
- Wage opener on 2/1/11 and 2/1/12
- Add new classification of Lead Phlebotomist at 5% above current Phlebotomist rate (Job Description as attached)
- Add new tenure step for Lead Phlebotomist at the tenth (10th year) at three percent (3%) above Step five (5).
- Effective date the first of the pay period following ratification and approval by the Board of Directors of The Alameda Health Care District.

2070 Clinton Avenue • Alameda, CA 94501 • TEL (510) 522-3700 • www.alamedahospital.org

Section 17. Health Program:
Replace current language with the following:

"**A. Regular Full-Time and Regular Part-Time Employees:**
The Hospital will enroll all eligible regular Full-Time and regular Part-Time employees who are covered by this Memorandum of Understanding, and their eligible dependents, in its current Health Plan, Dental Plan, Prescription Drug Plan and Vision Care Plan with changes as noted on the grid entitled "Plan Changes", at the Hospital's expense.

(New Section)

B. Meet and Confer
The Hospital and the Union agree to "meet and confer" over any changes anticipated in the Group Health, Dental Plan, Prescription Drug Plan and/or Vision Care Plan that, on the whole, equals or exceeds the current Health Plan. The Union may grieve/arbitrate the question of whether or not the changes meets the requirement that it/they, on the whole, equals or exceeds the current Health Plan.

Remaining sub-sections B through F in Section 17 language to remain as is and renumbered as Sections C through G.

Section 39. Term of Agreement
Three (3) year term retroactive to February 1, 2010 to January 31, 2013

For the Hospital:

Kerry Easthope — 6/29/10 Date
Associate Administrator

Phyllis J. Weiss — 6/29/10 Date
HR Director

For the Union:

Denice Washington — 6/29/10 Date
Business Representative

Bernice McDermott — 6/24/10 Date
Shop Steward

Zol Schperberg — Date
Bargaining Team Member

Alameda Hospital
Plan Changes for OPEIU L. #29 Employees

Benefits	Services Provided by AH Medical Staff	Non-Alameda Hospital Providers	New coverage effective date (L.#29) 8/1/10
Plan Year Deductible (Per Person)	N/A - covered services provided at 100%	In or out of network: $100	In or out of network: $200 (when deductibles currently apply)
Plan Year Deductible (Per Family)	N/A - covered services provided at 100%	In or out of network: $200	In or out of network: $500 (when deductibles currently apply)
Out-of-Pocket Maximum (Per Person)	N/A - covered services provided at 100%	$500 in-network/$1,500 out-of-network	$1,000 in-network/$2,000 out-of-network
Contraceptive Drugs & Devices (e.g. birth control pills) (through Express Scripts)	Not Covered	Not Covered	Covered at 80% through Express Scripts.
Physician Office Visit to include Contraceptive Management	Not Covered	Not Covered	Covered at 100%-Alameda Hospital / 100%, Ded. Waived, $5 Copay-Network / 80% after Ded-Non-Network
Physician Services to include Contraceptive Methods	Not Covered	Not Covered	Covered at 100%-Alameda Hospital / 90%, Ded. Waived-Network / 80% after Ded-Non-Network
Routine Well Child Care (includes office visits, routine physical exam, lab & x-ray, hearing tests, vision tests and immunizations)	Covered at 100% up to age 1 with a $100 max/year	Covered at 100% up to age 1 with a $100 max/year	Covered at 100% up to age 5 with a $1,000 max/child
Screening Colonoscopy	Not Covered	Not Covered	Covered at 100% after age 50 (at Alameda Hospital only)
Screening Prostate Exam	Not Covered	Not Covered	Covered at 100% (at Alameda Hospital only)
Pap Smears (1 exam every 12 months)	Pap Smear only, covered at 100%	Pap Smear only, In-Network: 100% Ded. waived, $5 copay / Out-Of-Network: 80% Ded.	Pap Smear with HPV test, In-Network: 100% Ded. waived, $5 copay / Out-of-Network: 80% Ded. waived
Immunizations (after age 5)	Not Covered	Not Covered	*Covered at 100% (at Alameda Hospital only)*
	"	"	Diptheria (initial; then every 10 years)
	"	"	Herpes Zoster (shingles)
	"	"	HPV for females under age 26
	"	"	Measles
	"	"	Mumps
	"	"	Pertussis (whooping cough) initial; then every 10 years
	"	"	Pneumococcus
	"	"	Tetanus (lockjaw), initial; then every 10 years
FSA - Section 125 Heath Care Account	N/A	N/A	EE's able to set aside up to $2,500 (pre-tax) for eligible health care expenses
FSA - Section 125 Dependent Care Account	N/A	N/A	EE's able to set aside up to $5,000 (pre-tax) for eligible dependent care expenses

Note: This table reflects those plan items that are new or have changed from the existing Health Benefits plan. No change to dental, vision or prescription coverage (except addition of Birth Control pills). There are no deductibles, co-pay or out of pocket maximums for covered services at Alameda Hospital or from Alameda Hospital Medical Staff Providers.

Alameda Hospital

Job Description

Title: Phlebotomy, Lead

Reports to: Director of Laboratory Services

Department: Laboratory

Classification: Local 29

Qualifications: Valid California phlebotomy Certificate, level I or level II
Experience: Minimum one year experience as a supervisor in a hospital clinical Laboratory or equivalent experience.

Job Summary: The Phlebotomy Lead is responsible for the day to day management of their department, staff and then the front office. The supervisor must perform all the drawings assigned to her/him and monitor the work load and delegate responsibilities for efficiency of work flow.

Job Responsibilities:

- Performs all the job functions and meets responsibilities of phlebotomists.
- Trains, supervises, and assists Phlebotomists, and Front Office clerks
- Responsible for cleaning, maintenance, and correct operation of equipments.
- Responsible for prompt resolution of any problems related to phlebotomy.
- Checks, maintains, and requests supplies needed for operation of department.
- Maintains and checks records related to phlebotomy department.
- Coordinating the send out documentation and tracking reports and monitoring the send out pending.
- Maintains, writes, and updates procedure manual (s) or files.
- Responsible for communicating changes and /or updates in department procedures.
- Preparation of schedule for the phlebotomists and Front office. Replacing sick calls and monitoring staffing coverage.
- Other duties as assigned by director of laboratory services.
- Each employee is expected to comply with hospital policies and all the regulatory agencies' requirements.

Physical Demands:
This job requires walking, standing, lifting, bending, pulling/Pushing, and sitting.
Participation in movement of equipment, patients, and supplies may be required.
Reaching, handling, fingering, feeling, and fine manipulating of hand held equipment may be required.
Talking, hearing, and seeing is required.
Hearing: acceptable to perform duties of position
Vision: acceptable to perform duties of position

Environmental Conditions:

The worker is exposed to the following environmental conditions: The worker spends over 99% of his time indoors. The worker must be able to understand and follow all hospital policies regarding safe work practices. These include but are not limits to universal precautions, personal protective equipment, proper body mechanics, handling of chemicals, and biological agents.

_____

Employee Signature Date

February 5, 2010

CONTRACT PROPOSAL
BETWEEN
OPEIU LOCAL 29-AFL-CIO
AND
ALAMEDA HOSPITAL

The Union reserves the right to add, delete, amend and modify their proposals during the course of negotiations.

It is agreed and understood between the parties that they will apply all of the terms and conditions of the Alameda Hospital, covering the same office employees excluding those defined in article 1-Recognition of the collective bargaining agreement.

The following are the union proposal(s) and or modifications to the existing Agreement and or Letter(s) of Understanding:

SECTION 2. HIRING AND PROBATIONARY PERIOD

Probation Period – Regular Full Time Employees

A probationary period of ninety (90) days from date of first hiring into the bargaining unit shall be established for new regular full-time employees.

Probation Period – Regular Part Time/Short Hour/Casual Employee(s)

A probationary period of five hundred twenty (520) hours actually worked in the bargaining unit shall be established for regular part-time, short-hour or casual employees.

During such probationary period the employee may be discharged for any reason which, in the opinion of the Hospital, is just and sufficient. No employee terminated during such probationary period shall have recourse to the grievance procedure.

2/5/10

2/5/10

Employer

2/5/10

Union

Tentative Agreement
between
The Alameda Health Care District
dba Alameda Hospital
and
OPEIU Local #29
Section 2. Hiring and Probationary Period
June 17, 2010

The Hospital and OPEIU Local #29 have reached a tentative agreement on Section 2. Hiring and Probationary Period to change the language as noted below (changes to current language in **bold**):

"Section 2. Hiring and Probationary Period

"The Hospital may hire employees from any source. The Hospital shall give a copy of any job vacancy notice to the Shop Steward. **The Hospital will post all open positions covered by this MOU for seven (7) calendar days, internally, to allow the opportunity for members of this bargaining unit to apply, prior to considering other applicants.** The Hospital will not discriminate against any applicant referred by the Union. Any person may be employed who, in the judgment of the Hospital will make the best employee, and the Hospital shall be **the** sole judge of the fitness of any applicant for the job.

The Hospital shall post on the Laboratory Bulletin Board all vacancies, including new positions, covered by this Agreement. Such posting shall be made as soon as the Hospital is aware of the vacancy and shall remain posted until the position is filed. In addition to the foregoing posting of vacancies and new positions, the Hospital shall post any temporary vacancy for which the Hospital, in its judgment, has determined it will hire a temporary replacement. The obligation to post such temporary vacancy does not arise if the vacancy will be filled by the increased use of Regular Part-time, Short-Hour or Casual employees.

Probationary Period – Regular Full-Time Employee(s)
A probationary period of ninety (90) days from date of first hiring **into the bargaining unit** shall be established for new, regular full-time employees.

Probationary Period – Regular Part-Time, Short-Hour and Casual Employee(s)
A probationary period of **five hundred twenty** (520) hours actually worked **in the bargaining unit** shall be established for regular part-time, short-hour and casual employees.

During such probationary period the employee may be discharged for any reason which, in the opinion of the Hospital, is just and sufficient. No employee terminated during such probationary period shall have recourse to the grievance procedure.

Promotions/Failure to Qualify:
Upon promotion to Supervisory Technologist, the first ninety (90) days shall be considered **an evaluation period**. During such **evaluation period, should the employee fail to perform satisfactorily in the position, (s)he may be returned to their previous position without change to their seniority or previous wage rate** ~~the employee may be demoted to his/her prior position,~~ provided that such ~~demotion~~ **return** may be subject to grievance under Section 30.

This provision shall not impair the right of the Hospital to discharge the employee under the provisions of Section 3."

For the Hospital:		**For the Union:**	
Kerry Easthope Assoc. Administrator	6/17/10 Date	Denice Washington Business Representative	Date
Phyllis J. Weiss Human Resources Director	6/17/10 Date	Bernice McDarment Shop Steward/Bargaining Team Member	6/17/10 Date

Zol Schperberg 6-17-10
Zol Schperberg Date
Alt. Shop Steward/Bargaining Team Member

Alameda Hospital

CITY OF ALAMEDA HEALTH CARE DISTRICT

Tentative Agreement
between
The Alameda Health Care District
dba Alameda Hospital
and
OPEIU Local #29
Section 32 Change in Operations
June 17, 2010

The Hospital and OPEIU Local #29 have reached a tentative agreement on Section 32 Change in Operations by adding the following language as paragraph one:

Section 32: Change in Operations

"In the event of a change of ownership of Alameda Hospital, or if the Alameda Hospital enters into a partnership or merger that causes a change in the ownership of the Hospital, the Hospital shall notify the Union at least sixty (60) days in advance of any intended action and will meet with the Union to discuss the impact of such change on the members represented by this Memorandum of Understanding (MOU). Alameda Hospital shall not use the sale, transfer, or other mechanism for the primary purpose of evading the terms of this MOU. Furthermore, it will be a condition of the transfer or sale agreement that the successor employer shall recognize the Union as the bargaining representative of the Laboratory employees as identified in the in this MOU."

For the Hospital:

Kerry Easthope — Date: 6/17/10
Assoc. Administrator

Phyllis J. Weiss — Date: 6/17/10
Human Resources Director

For the Union:

Denice Washington — Date: 6/17/10
Business Representative

Bernice McDarment — Date: 6/17/10
Shop Steward/Bargaining Team Member

6-17-10

Zol Schperberg Date
Alt. Shop Steward/Bargaining Team Member

T/A

January 15, 2010

CONTRACT PROPOSAL
BETWEEN
OPEIU LOCAL 29-AFL-CIO
AND
ALAMEDA HOSPITAL

Union Counter Proposal to Employer's Proposal of 1/12/10

The Union reserves the right to add, delete, amend and modify their proposals during the course of negotiations.

It is agreed and understood between the parties that they will apply all of the terms and conditions of the agreement between Alameda Hospital and OPEIU,L29 covering the same employees excluding those defined in article 1-Recognition of the collective bargaining agreement.

The following are the union proposal(s) and or modifications to the existing Agreement and or Letter(s) of Understanding:

SIDE LETTER OF AGREEMENT
Regarding the Casual Availability for employee Karen Najerian

Casual employee Karen Najerian, who has previously been excused by the Hospital for special circumstances regarding her availability, will continue to be granted the same consideration and shall not be adversely impacted by the change in the Casual Availability provision under Section 5 Definitions of Employees.

Union's Counter:
The parties, ~~The~~ Alameda Health Care District, dba Alameda Hospital and ~~the O.P.E.I.U. Local #29~~ **Office & Professional Employees International Union, Local 29-AFL-CIO,** have reached a tentative agreement to ~~delete~~ **terminate and dissolve the terms and conditions of** the Side Letter of Agreement **extended to employee, Karen Najerian for the duration of Memorandum of Understanding, also referred to as "MOU" "Contract" or "Agreement" signed into effect, 12/11/08 for period February 1, 2007 through January 31, 2010.** ~~signed in December of 2002, effective regarding the casual availability for employee Karen Najerian. This Side Letter states as follows: "Casual employee Karen Najerian, who has previously been excused by the Hospital for special circumstances regarding her availability, will continue to be granted the same consideration and shall not be adversely impacted by the change in the Casual~~

By the termination of said "Side Letter" will not affect said employee Karen Najerian from any rights or benefits coming under the current MOU to include any agreed upon extension of said MOU, Successor MOU/Agreement or Contract. to be extended to employee. ~~Availability provision under Section 5. "Definition of Employees".~~

~~Hereafter, all Casual employees will be expected to meet at least the minimum requirements as stated in the Memorandum of Agreement, under Section 5. Definitions of Employees.~~

ALAMEDA HOSPITAL

By: _____ 2/18/10
Kerry Easthope
Associate Administrator

By: _____
Phyllis J. Weiss
Director-Human Resources Dept

OFFICE AND PROFESSIONAL EMPLOYEES INTERNATIONAL UNION, LOCAL 29

By: _____ 2/24/10
Denice L. Washington
Business Representative

Committee Members:
Bernice McDerment, Shop Steward
Aileen Bautista, Member
Zolik Schperberg, Alt. Steward

DLW/sp(Alameda HospitalSideLtrterm)cwa:9415/afl-cio

Alameda Hospital

CITY OF ALAMEDA HEALTH CARE DISTRICT

Date: July 12, 1010

To: City of Alameda Health Care District

From: Kristen Thorson, District Clerk

Subject: November 2, 2010 General Election Information

The attached Notice of General Election was submitted to the Registrar of Voters, as done in prior elections. Below is a summary of key information for incumbents/candidates regarding the November 2, 2010 election.

a. The elective offices of the District to be filled at the next General District Election and names of the incumbents involved. Each office will be elected to a four (4) year term ending December, 2014.

   - Robert Bonta
   - Robert Deutsch
   - Leah Williams

b. Issuing and Filing of Candidate Nomination Packets:

   - All Nomination documents will be issued and filed **only** through the Registrar of Voters office at:

     1225 Fallon St. G-1
     Oakland, CA 94612
     (510) 272-6933

c. Candidate Statement of Qualification

   - Candidate will pay total estimated costs upon submitting statement.

d. Nomination period is from July 12 to August 6, 2010. See attached timeline for additional information and key dates.

NOTICE OF GENERAL DISTRICT ELECTION
(Election Code 10509, 10514, 10522)

City of Alameda Health Care District
DISTRICT

November 2, 2010
DATE OF ELECTION

ELECTIVE OFFICES

The purpose of said election is to elect 3 officials for a FULL TERM to fill the offices presently held by the following officials whose terms expire December 3, 2010.

INCUMBENT NAME/OFFICE TITLE	DIVISION (If applicable)	APPOINTED YES/NO
Leah Williams	N/A	Yes
Robert Bonta	N/A	No
Robert Deutsch	N/A	No

The following section applies only if official(s) was/were appointed to fill a vacancy in an office, which is not normally scheduled to be voted on this year.

District will also elect _____ official(s) for a SHORT TERM ending _____.

NAME	DIVISION	DATE APPOINTED	OFFICIAL REPLACED

ISSUING AND FILING OF CANDIDATE NOMINATION DOCUMENTS

All Nomination documents will be issued and filed through the Registrar of Voters office.

1225 Fallon St. G-1
Oakland, CA 94612
510-272-6933

CANDIDATE STATEMENT OF QUALIFICATIONS (Check the appropriate box below):

(1) District will pay for candidate's statements upon billing ☐
(2) Candidates will pay total estimated cost upon submitting statement ☒
(3) Candidates **will deposit** estimated cost upon submitting statement ☐

(3) (a) Amount of Deposit: _____

Revised April 2010

NOTICE OF DISTRICT ELECTION AND PUBLICATION OF ELECTION NOTICE

Elections Code §12112 requires that we publish a notice of election providing information on the date of the election, offices for which candidates may file, qualifications required by your principal act, etc. In order for the Registrar of Voters to publish the Notice of Election, list below a local newspaper of general circulation.

Notice of Election to be published by Registrar of Voters in Alameda Journal.
(Local newspaper of general circulation)

CERTIFICATION OF MAPS AND BOUNDARIES

Elections Code §10522 requires that at least **125 days** before the election a current map and boundary description be delivered to the Registrar of Voters. For the November 2, 2010 Election, **the legal deadline is June 30, 2010**. If, however, there have been no boundary changes since your last election, you may certify the map and boundary description, which we have on file, as being current. You can do so, by checking the appropriate box below.

MAP OR BOUNDARY DESCRIPTION (REQUIRED) is enclosed:
NO boundary changes ☒
SEE boundary changes ☐

In addition, jurisdictions that elect by area or division must have their new area or division legal boundary descriptions and maps in our office by our **administrative deadline of June 16, 2010.**

FORM 700 – STATEMENT OF ECONOMIC INTEREST

Does your district's Conflict of Interest require ***Candidates*** to file a Statement of Economic Interest form? ☒ **YES** ☐ **NO**

BALLOT MEASURES

If your district is contemplating placing a measure in the November 2, 2010 Election, please coordinate with our office at the earliest date possible. The deadline for a district measure to be consolidated with the November Election is August 6, 2010 (E-88). It is important for your district and our office to coordinate the details of what and how items need to be submitted to us. **All ballot measure and Candidate Materials must be submitted in an electronic format.** Listed below are the deadlines for submitting ballot measure and candidate materials:

August 6, 2010 (E-88) - District Resolutions (calling election, ballot measure questions, ballot measure full text, City Attorney Analysis)

B. If any resolutions necessitate special requirements that the Elections' Office needs to fulfill, such requirements need to be listed in the resolution and attached to this notice.

(DISTRICT SEAL)

Debra E. Stebbins
SIGNED (District Administrator)

2070 Clinton Avenue, Alameda, CA 94501
MAILING ADDRESS

(510) 814-4001
AREA CODE / PHONE NUMBER

Revised April 2010

EXHIBIT A

The boundaries of this health care district include the boundaries of the City of Alameda contained within zip codes 94501 & 94502.

ELECTION TIMETABLE FOR SPECIAL DISTRICT ELECTION
November 2, 2010 General Election

Days Before Election	Action Taken By	Objective	Code Sections
July 12, to August 6, 2010	Registrar of Voter	**Registar of Voters will issue all nomination documents.** Declaration of Candidacy and other filings can be obtained	EC 10510
(E- 113 to E-88)		between Monday through Friday, 8:30 to 5:00pm	
August 7 to August 11, 2010	Registrar of Voter	**Extension period-** if Incumbent does not file a Declaraiton of Candidacy, the nomination period is extended 5 days.	EC 10516
(E-87 to E-83)		Everyone other than the incumbents can pull paper during this period.	
August 12, 2010	Registrar of Voter	**Random Drawing**- Alphabet Drawing by Secretary of State. Results will be sent to Registrar of Voters' office.	EC 13112
(E-82)		The registrar office will also do the local drawing at this time.	
Sept. 6 to October 19, 2010	Registrar of Voter	**Declaration of Write-in period.** All nomination paper will be issued from the Registrar of Voters office.	EC 8600-8605
(E-57 to E-14)			
Aug. 21 to Aug. 31, 2010	Registrar of Voter	**The public** has 10 days to inspect materials to be submitted for printing.	EC 9295
(E-73 to E-63)			
Oct. 4, 2010	Registrar of Voter	**First day** of mailing the Vote by Mail Ballots.	EC 3001
(E-29)			
Oct. 18, 2010	Registrar of Voter	**Last day** to register to vote for the November 2, 2010 Election	EC 2107
(E-15)			
October 26, 2010	Registrar of Voter	**Deadline** to apply for a Vote by Mail Ballots	EC 3001
(E-15)			
October 28, 2010	Registrar of Voters	**Deadline** to apply for a Vote by Mail Ballot. Applications must be received by our office no later than 5:00 P:M.	EC 3001
(E-7)			
November 2, 2010	Registrar of Voters	**Election Day** - Polls open at 7:00 A.M to 8:00 P.M.	

ALAMEDA HOSPITAL
FISCAL YEAR 2011
JULY 1, 2010 – JUNE 30, 2011
PROPOSED BUDGET NARRATIVE

Attached is the Fiscal Year 2011 Alameda Hospital Operating Budget as prepared by hospital management. Upon approval by the City of Alameda Health Care District Board of Directors, this budget will constitute the spending authority for management for fiscal year 2011. Even though the City of Alameda Health Care District is a governmental agency, this budget should be considered a business plan and projection of what is anticipated for fiscal year 2011 rather than a fixed authority to spend.

Management believes that fiscal year 2011 will be an extremely challenging fiscal year as we continue to develop alternative revenue sources to replace the loss of the Kaiser outpatient surgical volumes which resulted from the expiration of that contractual relationship in accordance with the terms of that agreement. In addition to the development of alternative income sources, the hospital will continue to be challenged with its needs to renovate and update existing facilities in order to comply with the requirements of SB 1953. However, management continues to strive to provide quality patient care, excellent customer service and accommodations, and maintain a high caliber work force.

In addition to our own internal issues we continue to face challenges related to the continuing tightening of reimbursement levels resulting from health care reform, the continued problems with the State of California's ability to fund its operating budget, and increased compliance requirements, such as the Value Based Purchasing (VBP) program, increased activities of the Reimbursement Audit Contractors (RAC) and other governmental audit programs aimed at reducing the amount of payments received for services provided to Medicare beneficiaries.

While we are confronted with many challenges, we have also been presented with several potential opportunities that should help to improve the operating performance of Alameda Hospital. These opportunities include the addition of a Wound Care Program, the improvement to our radiology suites through the addition of additional digital radiology equipment and a Picture Archiving and Communication System (PACS), and increased efforts to local area surgeons to demonstrate the benefits of utilization of the Alameda Hospital surgical services. In addition to these items which have been factored into the FY 2011 operating budget there are several other opportunities that are currently being evaluated and may be a source for additional operational improvements during FY 2011. These include:

- Negotiations with the Coast Guard to provide urgent care services to personnel based on the island.

- Discussions with a well established Oakland based primary care physician group interested in relocating offices to the island.
- Increased Medi-Cal volume resulting from establishment of our California Medical Assistance Commission (CMAC) contract by increased efforts to establish increased relationships with La Clinica de la Raza's Fruitvale patient base and the Family Bridges Program based in Chinatown.
- Finalization of AB 1383 which will create a provider fee that will be used to access Federal matching monies that will be distributed back to California Hospitals in order to supplement current Medi-Cal reimbursement levels.
- Collaboration with the San Francisco Hospital Consortium seeking access to increased sub-acute bed capacity.
- Establishment of a systematic interface / service improvement to five independent community skilled nursing facilities in the area.
- Strengthen and organize our senior services continuum.
- Increase communication and collaboration with small business associations, Alameda School District and targeted large business partners.

Management is confident that despite the challenges that confront Alameda Hospital continued operational improvements that have been made to date and the opportunities that are on the horizon will allow Alameda Hospital to be successful into the future.

Fiscal Year 2011 Budget Assumptions

Utilization

The hospitals acute average daily census (ADC) is projected to remain consistent with the census experienced in FY 2010 at 29.5. For our Long Term Care programs, the South Shore Skilled Nursing Unit anticipates an ADC of 23.0, an increase of 1.7 patients per day over the average daily census for the eleven months ended May 31, 2010. However, the projected budget is only an increase of 0.6 patients per day over the last six months. The 35 bed Sub-Acute unit is projected to have an ADC of 33.5 which is consistent with the current fiscal year's performance and limited to the number of available beds.

Outpatient registrations are expected to decrease by approximately 1,300 registrations. This net reduction in outpatient registrations is primarily the result of the expiration of the Kaiser Outpatient Surgery Services contract which ended March 31, 2010 and generated approximately 4,000 annual registrations. However, outpatient surgeries generated by Alameda surgeons have been projected to increase over fiscal year 2010 levels by approximately 370 cases or 28%. The remainder of the increase in outpatient registrations is projected from increased utilization of radiology services driven by increased marketing efforts and the implementation of our upgraded digital radiology equipment and PACS System.

Emergency visits are expected to remain at the same levels as experienced during fiscal year 2010 which have averaged 48 visits per day.

Inpatient surgical volumes have been projected to remain at the same levels as experienced in fiscal year 2010.

The Alameda Medical Offices, previously referred to as "Community Clinic", is budgeted to double its visit activity in fiscal year 2011 as a result of adding a new full time general surgeon (Dr. Roberto Celada) in February 2010, the continued development of existing OB/GYN (Dr. Olivia Butt) and primary care practices (Dr. Robyn Green-Yeh). The primary care practice will be further expanded with the addition of a 0.5 FTE (Dr. Nailan Thompson) beginning in early fiscal year 2011.

Revenue

A charge specific price increase will be implemented effective July 1, 2010 which will result in an approximate overall increase of 5%. This increase is expected to generate an additional $11.3 million in annual gross charges which has been factored into the fiscal year 2011 operating budget. Also contributing to the increase in gross revenues is the addition of the new Wound Care program that is budgeted to generate $2.6 million in gross charges during the first six months of operations based on current projections of service needs in the immediate service area.

The Alameda Medical Offices is budgeted to generate approximately $650,000 in additional physician office visit gross revenue in FY 2011. This increase is the result of having 2.6 physician FTE's covering primary care (0.6 FTE), OB/GYN (1.0 FTE) and general surgery (1.0 FTE) practices for the entire fiscal year. No additional hospital registrations or revenues have been included in the operating budget for these additional revenues projected to be generated from this increased level of activity at the Alameda Medical Offices.

Net Revenue

Our overall estimated net patient revenue percentage is projected to be slightly better than FY 2010 at 24.3% versus the current year's 24.2%. Some of the factors contributing to the increase in our projected net revenue percentage:

- Projected receipt of supplemental funds in the same amount as received in the current fiscal year, $2,165,000. These supplemental funds from the State of California are an integral part of management's decision to contract with CMAC to provide inpatient acute hospital services to Medi-Cal beneficiaries.
- Projected $1.2 million or 7.7% increase in net patient revenues from the July 1 annual price increase and annual adjustments to negotiated HMO / PPO contracted rates.
- Projected net patient revenue of $516,000 from the new Wound Care program.
- Projected 0.6% or $135,000 improvement in Medicare reimbursement over FY 2010 for Traditional and Medicare Advantage plans.
- Sub-Acute and Skilled Nursing rates have been maintained at current levels.

Additional net patient revenue from the Alameda Medical Offices is expected to be approximately $145,000 from OB/GYN clinic services and an increased level of coverage for primary care and general surgery clinic services.

Labor and Benefits Expense

Overall labor costs are projected to decrease by approximately $3.4 million over the projected fiscal year 2010. The FY 2011 budget proposal includes negotiated salary increases for the one bargaining unit, SEIU, whose contract was negotiated prior to receiving notice from Kaiser that they would not be extending the Outpatient Surgery Services Contract. All other bargaining units have been budgeted at current levels with no estimated increases in salary either as agreed to in newly negotiated contracts, CNA and Local 6, or management's projections as to the final outcome of contracts currently in negotiation, Local 29, or to be negotiated, Local 39, in FY 2011. The unrepresented Exempt and Non-Exempt labor pool have been budgeted at the current wage rates which include the 5% reduction that was implemented effective January 31, 2010.

Total full time equivalents for fiscal 2011 are budgeted at 419.3, a decrease of 24.6 FTE's from the final forecasted fiscal year 2010 total of 443.9 FTE's (See Table IV). The majority of the decrease (19.2 FTE) is the result of staff reductions implemented at the expiration of the Kaiser contract. Other decreases include the elimination of the Cardio fit program (2.0 FTE), consolidation of the management oversight responsibilities for the Sub-Acute and Skilled Nursing programs (1.0 FTE), modification of nursing staffing targets (1.9 FTE) and modification of the cafeteria's operations (0.6 FTE). Additionally, we have factored in an ongoing vacancy factor (5.0 FTE) to account for on-going turn-over. On the additions, side we have included new positions in Radiology (2.0 FTE) to support the new PACS application and Quality Resource Management (1.0 FTE) to facilitate the monitoring of patient utilization. The remaining increase of 2.0 FTE is for positions that were vacant and filled prior to year end.

No additional employees were budgeted in conjunction with the implementation of an Electronic Health Record (EHR). The cost of these positions will be considered as part of the Capital Budget cost during the implementation of these projects.

Overall, both paid and productive FTE per Adjusted Occupied Bed at 3.2 and 2.8 respectively is budgeted to be at levels similar to the current years projected actual of 3.1 and 2.7 respectively, and remains among of the lowest ratios in the Bay Area.

Non-Labor Expenses

The following are the assumptions for the various categories of the operating budget non-labor expense categories:

Professional Fees

- Medical related professional fees will increase by approximately $519,000 or 22.3% in fiscal 2011. The majority of the increase will come from two areas which include the

addition of the Wound Care Program ($312,000) and from additional physician fees of $150,000 related to the new Alameda Medical Offices.

- Non-medical related professional fees will increase by approximately $74,000 or 6.4%. This increase in consulting services was primarily related to estimates for additional costs associated with the securing of financing for various projects currently under evaluation.

Supplies

- Supply categories have been adjusted for expected volumes. This resulted in decreased supply costs of approximately $1,434,000 or 18.8%.

- Minor Equipment is expected to increase by $44,000 or 29.5% due to the inclusion of costs required to continue to improve our wireless infrastructure and to upgrade various pieces of equipment throughout the hospital.

Purchased Services

- Repairs and Maintenance will increase by approximately $142,000 or 21.9%. This increase is necessary to cover the costs associated with repairs necessary to various roof and elevator repairs and improvements to our Reddinet system.

Rents and Leases

- This category will increase by approximately $205,000 or 23.6%. This is primarily the result of rental expense for the Diagnostic Radiology and PACS System operating lease.

Insurance

- As a result of our continued favorable performance, 14.2% decrease in exposure and a 51.6% increase in annual dividend due to our excellent loss ratio, BETA has renewed our FY 2011 policy at $90,000 less than the FY 2010 policy period.

Depreciation and Amortization

- This classification will decrease by $257,000 or 22.6% from FY 2010 as a result a significant number of assets reaching their fully depreciated cost basis during the fiscal year.

TABLE I

ALAMEDA HOSPITAL
FISCAL YEAR 2011 BUDGET
OPERATING STATISTICS

	2007/2008 Actual	2008/2009 Actual	2009/2010 Budget	2009/2010 Projected	2010/2011 Proposed	Projected Variance from Proj.
PATIENT DAYS						
Medical Surgical	11,276	11,787	11,810	10,671	10,782	1.0%
Sub-Acute	10,789	12,010	12,228	12,221	12,228	0.1%
SNF	622	6,666	7,848	7,864	8,395	6.8%
Total	22,687	30,463	31,886	30,756	31,405	2.1%
DISCHARGES						
Medical Surgical	2,885	2,812	2,881	2,780	2,860	2.9%
Sub-Acute	24	34	41	14	17	21.4%
SNF	60	112	158	130	146	12.3%
Total	2,969	2,958	3,080	2,924	3,023	3.4%
AVG. LENGTH OF STAY						
Medical Surgical	3.9	4.2	4.1	3.8	3.8	-1.8%
SNF	10.4	59.5	49.7	60.5	57.5	-4.9%
AVG. DAILY CENSUS						
Medical Surgical	30.9	32.3	32.4	29.2	29.5	1.0%
Sub-Acute	29.6	32.9	33.5	33.5	33.5	0.1%
SNF	1.7	20.8	21.5	21.5	23.0	6.8%
Total	62.2	86.0	87.4	84.3	86.0	2.1%
OUTPATIENT VISITS						
Emergency	17,922	17,337	16,830	17,664	17,888	1.3%
Outpatient Registrations	30,943	29,948	34,659	28,976	28,179	-2.8%
IP Surgeries-Non Kaiser	629	588	560	580	599	3.3%
IP Surgeries - Kaiser	73	102	103	91	-	-100.0%
OP Surgeries - Non Kaiser	1,399	1,288	1,276	1,332	1,704	27.9%
OP Surgeries - Kaiser Eye	1,665	1,976	1,887	1,461	-	-100.0%
OP Surgeries - Kaiser Amb.	1,644	1,931	1,872	1,417	-	-100.0%
ADJUSTED OCCUPIED BED	108.4	146.7	152.5	142.6	129.9	-8.9%
PAID FTE	400.5	430.0	445.0	443.9	419.3	-5.5%
PROD. FTE	347.7	378.2	388.1	388.9	369.5	-5.0%
PAID FTE/AOB	3.7	2.9	2.9	3.1	3.2	3.7%
PROD. FTE/AOB	3.2	2.6	2.5	2.7	2.8	4.3%

TABLE II

ALAMEDA HOSPITAL
FISCAL YEAR 2011 BUDGET
STATEMENT OF REVENUE AND EXPENSE

	FY 2008 Audited	FY 2009 Audited	FY 2010 Budget	FY 2010 Actual To Date	FY 2010 Projected	FY 2011 Proposed Budget	Dollar Change Proposed from Projected	Pct. Change Proposed from Projected
Revenues								
Gross Revenue	250,227,579	282,769,094	298,120,137	259,408,392	279,134,561	256,560,119	(22,574,442)	-8.1%
Less: Contractual Allowances, Bad Debt and Charity	(193,985,757)	(219,707,961)	(231,167,319)	(198,654,228)	(211,578,294)	(194,343,922)	17,234,372	-8.1%
Net Patient Service Revenue	56,241,822	63,061,133	66,952,818	60,754,164	67,556,267	62,216,197	(5,340,070)	-7.9%
Net Patient Revenue %	22.5%	22.3%	22.5%	23.4%	24.2%	24.3%		
Net Clinic Patient Revenue	-	-	706,498	155,097	190,097	334,736	144,639	76.1%
Other Operating	144,451	195,046	181,235	410,431	405,431	166,059	(239,372)	-59.0%
Total Revenues	56,386,273	63,256,179	67,840,551	61,319,692	68,151,795	62,716,992	(5,434,803)	-8.0%
Expenses								
Salaries and Benefits	31,903,600	35,025,880	37,487,432	34,378,981	37,494,981	33,952,256	(3,542,725)	-9.4%
Registry	1,864,163	2,685,554	2,066,319	1,862,512	2,002,512	2,059,914	57,402	2.9%
Benefits	10,002,945	9,846,828	10,783,416	10,308,221	10,614,525	10,746,194	131,669	1.2%
Professional Fees	4,030,212	3,536,554	4,105,313	3,213,558	3,483,558	4,077,390	593,832	17.0%
Supplies	8,483,048	9,106,288	9,465,813	9,159,538	9,854,538	8,388,163	(1,466,375)	-14.9%
Purchased Services	3,651,664	4,132,484	4,736,290	4,215,372	4,545,372	4,681,864	136,492	3.0%
Rents and Leases	581,198	719,618	841,284	794,188	869,188	1,074,148	204,960	23.6%
Utilities and Telephone	865,943	840,808	933,429	762,736	812,736	861,476	48,740	6.0%
Insurance	720,305	533,366	543,898	486,769	528,769	429,991	(98,778)	-18.7%
Other Operating Expenses	783,635	889,953	1,033,376	889,573	943,573	972,975	29,402	3.1%
Depreciation and Amortization	1,779,663	1,406,627	1,567,728	1,053,274	1,133,274	876,614	(256,660)	-22.6%
Total Operating Expenses	64,666,376	68,723,960	73,564,298	67,124,722	72,283,026	68,120,984	(4,162,042)	-5.8%
Operating Gain/(Loss)	(8,280,103)	(5,467,781)	(5,723,747)	(5,805,030)	(4,131,231)	(5,403,992)	(1,272,761)	30.8%
Non-operating revenues (expenses)								
Property Taxes	5,745,308	5,755,235	5,758,889	5,269,216	5,747,216	5,753,746	6,530	0.1%
Other	172,651	131,193	323,682	182,955	201,255	141,099	(60,156)	-29.9%
Total Non-operating revenues (expenses)	5,917,959	5,886,428	6,082,571	5,452,171	5,948,471	5,894,845	(53,626)	-0.9%
Excess/(deficit) of revenues over exp	(2,362,144)	418,647	358,824	(352,859)	1,817,240	490,853	(1,326,387)	-73.0%

TABLE III

ALAMEDA HOSPITAL
FISCAL YEAR 2011 BUDGET
GROSS/NET REVENUE BY FINANCIAL CLASS

	GROSS REVENUE INPATIENT	GROSS REVENUE SUBACUTE	GROSS REVENUE SKILLED NURSING	GROSS REVENUE EMERGENCY	GROSS REVENUE OUTPATIENT	TOTAL GROSS REVENUE	REIMBURSMENT PERCENTAGE	TOTAL NET REVENUE
MEDICARE	78,928,520	5,228,713	5,892,351	7,029,555	22,755,437	119,834,576	20.9%	25,064,263
MANAGED CARE	22,356,914	2,324,921	138,238	11,381,052	18,898,966	55,100,091	33.3%	18,338,915
MEDI-CAL	15,432,329	25,616,748	2,601,125	8,193,187	3,217,442	55,060,831	22.6%	12,440,764
SELF PAY	5,637,080	30,042	11,602	6,234,254	355,698	12,268,676	10.0%	1,228,131
COMMERCIAL	1,944,556	95,591	8,323	2,230,213	432,842	4,711,525	75.7%	3,564,471
OTHER	2,798,766	139,239	8,850	2,143,181	1,913,206	7,003,241	15.2%	1,063,418
TOTAL HOSPITAL	127,098,164	33,435,255	8,660,489	37,211,442	47,573,590	253,978,939	24.3%	61,699,961
PHYSICIAN CLINIC	-	-	-	-	1,338,944	1,338,944	25.0%	334,736
TOTAL PATIENT CARE	127,098,164	33,435,255	8,660,489	37,211,442	48,912,534	255,317,883	24.3%	62,034,697

TABLE IV

ALAMEDA HOSPITA
FISCAL YEAR 2011 BUDGET
COMPARISON OF CHANGES IN FTE'S

	2008-09 Actual	2009-10 Budget	2009-10 Projected	2010-11 Proposed	Variance Projected vs Proposed
Total Nursing Services	222.03	237.30	242.50	219.40	(23.10)
Total Ancillary Services	82.00	74.50	71.30	75.30	4.00
Total Support Services	55.30	55.00	55.80	54.20	(1.60)
Total Administrative Services	70.60	78.20	74.30	70.40	(3.90)
Grand Total	429.93	445.00	443.90	419.30	(24.60)

Summary of Variance	New Positions	Kaiser Related	Volume Related	Previously Unfilled/Vacant
Nursing				
Surgery/SSU		(16.1)		
Closure of Cardiofit			(2.0)	
Eliminate SA Director				(1.0)
Updated Nursing Targets			(1.9)	
Nursing Adminstration		(2.1)		
Ancillary				
Radiology	2.0			
Rehab				1.6
OP Clinics				0.4
Support				
Close Café for breakfast			(0.6)	
Engineering		(0.5)		
Purchasing		(0.5)		
Administrative				
QRM	1.0			
Community Relations			0.1	
Vacant Positions				(5.0)
	3.0	(19.2)	(4.4)	(4.0)