

**PUBLIC NOTICE**

***SPECIAL MEETING***

**CITY OF ALAMEDA HEALTH CARE DISTRICT**

**BOARD OF DIRECTORS**

**AGENDA**

**Wednesday, December 9, 2009**

**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.*

- |  |                                   |
|--|-----------------------------------|
| <b>I. Call to Order (6:00 p.m. – 2 East Board Room)</b>  | Jordan Battani                    |
| <b>II. Roll Call</b>   | Kristen Thorson                   |
| <b>III. Adjourn into Executive Closed Session</b>  |                                   |
| <b>IV. <u>Closed Session Agenda</u></b>  |                                   |
| A. Closed Session Minutes – November 2, 2009   |                                   |
| B. Medical Executive Committee Report and Approval of Credentialing Recommendations                      | <u>H &amp; S Code Sec. 32155</u>  |
| C. Board Quality Committee Report (BQC)  | <u>H &amp; S Code Sec. 32155</u>  |
| D. Consultation with Legal Counsel Regarding Pending Litigation  | <u>Gov't Code Sec. 54956.9(a)</u> |
| E. Discussion of Pooled Insurance Claims   | <u>Gov't Code Sec. 54956.95</u>   |
| F. Instructions to Bargaining Representatives Regarding Salaries, Fringe Benefits and Working Conditions | <u>Gov't Code Sec. 54957.6</u>    |
| G. Consideration of Performance Evaluation of District Employees   | <u>Gov't Code Sec. 54957</u>      |

H. Discussion of Report Involving Trade Secrets

H & S Code Sec. 32106

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

A. Announcements from Closed Session

Jordan Battani

B. Approval to Implement Wage Reduction ACTION ITEM [To Be Distributed]

Deborah E. Stebbins

**VI. Consent Agenda**

A. Approval of November 2, 2009 Minutes ACTION ITEM [enclosure]

B. Acceptance of October 2009 Financial Statements ACTION ITEM [enclosure]

**VI. Regular Agenda**

A. President's Report

Jordan Battani

B. Chief Executive Officer's Report

Deborah E. Stebbins

1. Recommendation on Mental Health  
Parity Implementation ACTION ITEM [enclosure]

2. Recommendation on Employee Assistance Program  
(EAP) Implementation ACTION ITEM [enclosure]

3. PACS / Diagnostic Imaging Update

C. Strategic Planning and Community Relations Report

Robert Bonta

1. Committee Report – November 17, 2009

D. Finance and Management Committee Report

1. Committee Report – November 25, 2009

Robert Bonta

E. Medical Staff President Report

Alka Sharma, MD

**VIII. General Public Comments**

**IX. Board Comments**

**X. Adjournment**

**The next regularly scheduled board meeting is  
scheduled for January 11, 2009**

**Closed Session will begin at 6:00 p.m.  
Open Session will follow at approximately 7:30 p.m.**



**Minutes of the Board of Directors**

November 2, 2009

**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:**

**Submitted by:**

Kristen Thorson

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 6:10 p.m.	
2. Roll Call	Kristen Thorson called roll, noting that a quorum of Directors were present.	
3. Adjourn into Executive Closed Session	At 6:11 p.m. the meeting adjourned to Executive Closed Session.	
4. Reconvene to Public Session	Jordan Battani reconvened the meeting into public session at 7:35 p.m. and made the following closed session announcements.	

<p><b>5. Closed Session Announcements</b></p>	<p>[A] Minutes</p> <p>[B] Board Quality Report - September 2009 Performance Improvement Report</p> <p>[C] Medical Executive Committee Report and Approval of Credentialing Recommendations</p>	<p>[A] The Closed Session Minutes for the September 14, 2009 and October 12, 2009 were approved.</p> <p>[B] The September 2009 Performance Improvement Report was accepted as presented.</p> <p>[C] Medical Executive Committee Report and Approval of Credentialing Recommendations were approved as presented and indicated below.</p>
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**Reappointments – Medical Staff**

Name	Specialty	Status	Appointment Period
○ Eric Bain, MD	Radiology	Courtesy	12/01/09 – 11/30/11
○ Robert Brooks, MD	Anesthesiology	Active	12/01/09 – 11/30/11
○ David Bui, MD	Ophthalmology	Active	12/01/09 – 11/30/11
○ Robert Burri, MD	Orthopedics	Courtesy	12/01/09 – 06/31/10
○ Rakesh Donthinani, MD	Orthopedics	Courtesy	12/01/09 – 11/30/11
○ Kent Farney, MD	Gynecology	Active	12/01/09 – 11/30/11
○ Erik Gaensler, MD	Radiology	Courtesy	12/01/09 – 11/30/11
○ Camille Harrison, MD	Ophthalmology	Courtesy	12/01/09 – 11/30/11
○ Cindy Hsu, MD	Anesthesiology	Courtesy	12/01/09 – 05/31/10
○ Mona Kamdar, MD	Anesthesiology	Courtesy	12/01/09 – 03/31/10
○ James Karol, MD	Urology	Active	12/01/09 – 11/30/11
○ Robert Luu, MD	Anesthesiology	Courtesy	12/01/09 – 11/30/11
○ Robert Menard, MD	Plastic Surgery	Courtesy	12/01/09 – 07/31/11
○ Stephen Post, MD	Ophthalmology	Active	12/01/09 – 11/30/11
○ Randall Stettler, DDS	Oral Surgery	Courtesy	12/01/09 – 07/31/11
	Maxillofacial Surgery		

- o Daniel Ting, MD
- o Martha Tracy, MD
- o Elizabeth Treynor, MD
- o Delyse Williams, MD
- o Robert Yan, MD

Ophthalmology  
 Oncology  
 Pathology  
 Ophthalmology  
 Urology

Courtesy  
 Courtesy  
 Courtesy  
 Courtesy  
 Courtesy

12/01/09 – 11/30/11  
 12/01/09 – 11/30/11  
 12/01/09 – 11/30/11  
 12/01/09 – 11/30/11  
 12/01/09 – 11/30/11

**Initial Appointment – Allied Health Professionals**

Name	Specialty	Affiliation
o Carla diGiulio, CRNA	Nurse Anesthetist	Kaiser
o Ingrid Pampalone, PA-C	Physician Assistant	CEP/Emergency Dept.
o Sean Parkin, PA-C	Physician Assistant	CEP/Emergency Dept.

**Reappointment – Allied Health Professionals**

Name	Specialty	Affiliation
o Belinda Lee, PA-C	Physician Assistant	12/01/09 -11/30/11

**Proctoring**

Name	Specialty
o Olivia Butt, MD	OB/Gyn
o Maria Militante-Miller, MD	Internal Medicine
o Liesl Pavlic, MD	Internal Medicine
o Pushpasree Sajja, MD	Internal Medicine

**New Procedure Request**

Name	Specialty	Procedure Request
o Olivia Butt, MD	OB/Gyn	Hysteroscopic Tubal Sterilizations

**Resignations**

Name	Specialty
o Laura Carr, PA-C	Physician Assistant
o Matthew Dixon, MD	General Surgery

<p><b>6. Consent Agenda</b></p>	<p>[A] Approval of September 14, 2009 Minutes          [B] Approval of October 12, 2009 Minutes</p>	<p>Director McCormick moved to approve the Consent Agenda as presented. Director Bonta</p>
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	<p>[C] Acceptance of August 2009 Financial Statements</p> <p>[D] Approval of Delineation of Privileges Form for Emergency Department Physician Assistants</p>	<p>seconded the motion. The motion carried unanimously.</p>																
<p><b>7. Regular Agenda</b></p>	<p><b>A. President's Report</b></p> <p>1. Approval of Extending District Board Vacancy Application Deadline</p> <p>The Board discussed extending the Board vacancy application deadline to Friday, November 20, 2009 to allow additional time for interested applicants to submit an application packet. As of Friday October, 30, 2009, there had been no applicant packages submitted to the district, however, there had been several inquiries and expressions of interest.</p> <p><b>B. Chief Executive Officers Report</b></p> <p>1. Public Records Act Request</p> <p>The District received a request for information for the wages of all employees. The District has complied with the public records act request and has submitted the requested information. Although the District has not released this information in the past, as a public entity we are required by law to do so. The information requested a list of the names of all employees, their job title, and their wages for calendar year 2008.</p> <p>2. General Statistics</p> <p>Ms. Stebbins reviewed that key statistic listed below noting that the emergency room visits and total surgeries were above budget by 9.9% and 8.4%, respectively. Overall average daily census was also above budget for the month of October by 8% at 88.94.</p> <table border="1" data-bbox="1256 705 1432 1495"> <thead> <tr> <th><i>Statistics</i></th> <th>October (Prelim)</th> <th>October Budget</th> <th>September Actual</th> </tr> </thead> <tbody> <tr> <td>Average Daily Census</td> <td>88.94</td> <td>82.24</td> <td>84.7</td> </tr> <tr> <td>Acute</td> <td>34.39</td> <td>28</td> <td>31.6</td> </tr> <tr> <td>Subacute</td> <td>33.94</td> <td>32.74</td> <td>34.27</td> </tr> </tbody> </table>	<i>Statistics</i>	October (Prelim)	October Budget	September Actual	Average Daily Census	88.94	82.24	84.7	Acute	34.39	28	31.6	Subacute	33.94	32.74	34.27	<p>Director Deutsch move to approve extending the District Board Vacancy application deadline to Friday, November 20, 2009 at 5:00 p.m. Director Bonta seconded the motion. The motion carried unanimously.</p>
<i>Statistics</i>	October (Prelim)	October Budget	September Actual															
Average Daily Census	88.94	82.24	84.7															
Acute	34.39	28	31.6															
Subacute	33.94	32.74	34.27															

	South Shore	20.61	21.5	18.83
Patient Days	2,757	2,550	2,541	2,541
ER Visits	1,560	1,419	1,479	1,479
OP Registration	2,651	2,929	2,623	2,623
Total Surgeries	2,757	2,550	2,541	2,541

Ms. Stebbins introduced Joyce Williams, RN as the Hospital's new Assistant Director of Nursing Services and Director of Perioperative Services.

3. Overview of Employee Satisfaction Survey Results

Ms. Stebbins presented the highlights findings of the first Employee Satisfaction Survey for Alameda Hospital. Results and copies of the survey are available in Administration. NRC Picker conducted the survey by mail or online. There were 191 respondents to the survey. Overall commitment to the Hospital indicated a positive response of 65.2% compared to the national data base of 65.3%. Hospital Management has reviewed the survey and identified the top areas for improvement. Areas for improvement included physical environment / safety, non-punitive responses to errors and organizational learning / access to training. Management's next steps with the survey results will be to present to the hospital Management Team, to the employees through Town Halls and to elicit staff input for improvement on the key areas. Director Battani asked what the timing was for the next survey. Ms. Stebbins stated that this survey would occur annually. Ms. Battani asked if management was surprised about the results. Ms. Stebbins stated that she was a bit surprised about the responses of the non-punitive / punitive responses. Director Bonta asked if the management thought that the survey was comprehensive and balanced. Ms. Stebbins said that she would like the next survey to focus on some of the responses from this survey to see if areas had improved.

**C. Strategic Planning and Community Relations Report**

1. Committee Report – October 19, 2009

Director Bonta reported that the October 19<sup>th</sup> committee was a special joint meeting of the Strategic Planning and the Finance and Management Committee to hear a presentation by Gary L. Hicks regarding debt financing. Mr. Hicks gave the committees an overview of the different options available for debt financing. Next steps will be to drill down the numbers internally to see what type of financing is most appropriate for the Hospital.

**D. Finance and Management Committee Report**

1. Committee Report – October 19, 2009  
Director Bonta reported that the committee met on October 28, 2009. Mr. Neapolitan reviewed the September 2009 Financial Statements noting the following key points:

- Average daily census was 84.7 versus 83.5 budgeted
- Total gross patient revenue greater than budget by \$1.5 million
- Inpatient Programs were greater than budget by \$602,000 or 4.6%
- Outpatient Programs were greater than budget by \$900,000 or 9.2%
- Net Patient Revenue was greater than budget \$100,000 or 1.9%
- The profit for the month was \$4,000 compared to a budget of \$6,000
- ER Visits were 9.5 % greater than budget at 1,479.
- David Neapolitan updated the committee on the following other informational items:

David Neapolitan and Phyllis Weiss gave a brief overview of the Hospital's self funded insurance plan, noting that healthcare costs continue to rise. As the Hospital begins the renewal process, management wanted to inform the committee of potential increases in these costs. Factors that are contributing to the increased costs include: several high dollar claims and there have also been plan changes over the past year that are contributing to the rising cost of health care for the hospital's employees.

2. CFO Report

Mr. Neapolitan presented follow-up information from the last board meeting and the auditor's report from Rick Jackson. The auditor, Rick Jackson, presented a comparison of Alameda Hospital and other like hospitals for key areas and indicators. At the request of the Board for more information about these key indicators, Mr. Neapolitan researched the key areas through data from the Office of Statewide Planning and Development (OSHPD) to compare with Alameda Hospital. Areas included, Average Length of Stay, Gross Revenue per adjusted



	<p>patient day, percentage of net patient revenue, Medicare net percentage of revenue, Third Party net percentage of revenue, Expenses per adjusted patient day, and FTE's per adjusted occupied bed. Copies of the presentation are available in Administration.</p> <p><b>E. Medical Staff President's Report</b></p> <p>Dr. Alka Sharma informed the Board of Directors that the Hospital has been awarded a 4 year accreditation of its Continuing Medical Education (CME) program. Director Battani congratulated the Medical Staff and Hospital for the achievement.</p>	
<p><b>8. General Public Comments</b></p>	<p>None at this time</p>	
<p><b>9. Board Comments</b></p>	<p>Ms. Thorson informed the Board that the Board videos are now posted on the Hospital website.</p>	
<p><b>10. Adjournment</b></p>		<p>A motion was made to adjourn the meeting and being no further business, the meeting was adjourned at 8:45 p.m.</p>

Attest:

\_\_\_\_\_  
Jordan Battani  
President

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Robert Bonta  
Secretary

# THE CITY OF ALAMEDA HEALTH CARE DISTRICT

## ALAMEDA HOSPITAL

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### UNAUDITED FINANCIAL STATEMENTS

FOR THE PERIOD ENDING OCTOBER 31, 2009

**CITY OF ALAMEDA HEALTH CARE DISTRICT  
ALAMEDA HOSPITAL  
October 31, 2009**

<b><u>Table of Contents</u></b>	<b><u>Page</u></b>
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Statement of Revenue and Expenses – Per Adjusted Patient Day	15
Key Statistics for Current Month and Year-to-Date	16

## **ALAMEDA HOSPITAL MANAGEMENT DISCUSSION AND ANALYSIS OCTOBER 31, 2009**

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 October 31, 2009 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 October 31, 2009***

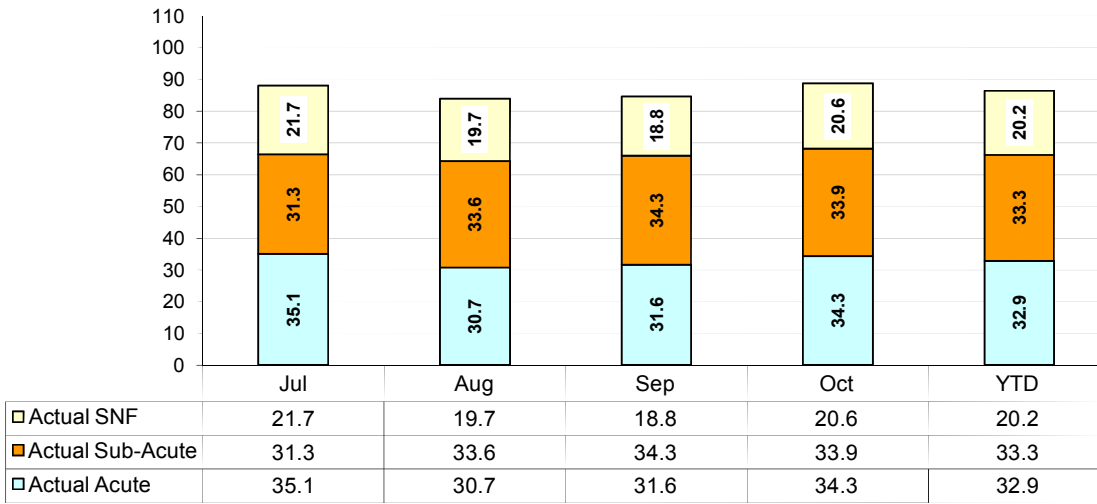
- Gross patient revenue was greater than budget by \$1,813,000 or 7.6%. Inpatient revenue was greater than budgeted by 11.2% and outpatient revenue was greater than budgeted by 3.0%. On an adjusted patient day basis gross patient revenue was \$5,373 compared to a budgeted amount of \$5,218 or a 3.0% favorable variance.
- Total patient days were 2,754 compared to the prior month's total patient days of 2,541 and the prior year's 2,723 total patient days. The average daily acute care census was 34.3 compared to a budget of 28.0 and an actual average daily census of 31.6 in the prior month; the average daily Sub-Acute census was 33.9 versus a budget of 32.7 and 34.3 in the prior month and the South Shore unit had an average daily census of 20.6 versus a budget of 21.5 and prior month census of 18.8, respectively.
- ER visits were 1,560 or 9.9% greater than the budgeted 1,419 visits and were greater than the prior year's visits of 1,379.
- Total surgery cases were 9.6% greater than budget, with Kaiser surgical cases making up 69.7% of the 524 total cases. Alameda physician surgical cases were 159 cases as compared to 165 cases in September.
- Combined excess revenues over expense (profit) for October was \$36,000 versus a budgeted excess of revenues over expense (profit) of \$23,000.
- Total assets decreased by \$1,129,177 from the prior month as a result of a decrease in current assets of \$1,109,437 and an increase in restricted contributions of \$8,212 offset by a decrease in net fixed assets of \$27,952. The following items make up the decrease in current assets:
  - Total unrestricted cash and cash equivalents for October decreased by \$1,314,005 which resulted in our unrestricted day's cash on hand decreasing to 4.5 days at October 31, 2009. This was the result of three paid payrolls falling in the month of October.
  - Net patient accounts receivable increased in October by \$164,076 compared to an increase of \$9,367 in September. Day's in outstanding receivables increased slightly to 50.9 as compared to 49.7 in August.
- Total liabilities decreased by \$1,263,882 compared to a decrease of \$118,797 in the prior month. This decrease was the result of the following:
  - Accounts payable decreased by \$47,352 from the prior month. As a result of this decrease the average accounts payable payment period decreased in October to 52.2 from 55.7 as of September 30, 2009.
  - Payroll and benefit related accruals decreased by \$672,085 from the prior month. This decrease was primarily the result of decreased accrued payroll of \$1,035,528 resulting from the timing of the actual paid payroll offset

by increased payroll tax liabilities (\$376,695) that were paid subsequent to the end of the month.

- Other liabilities decreased by \$500,140 primarily as a result of the amortization of one month's deferred revenue related to the 2009/2010 parcel tax revenues.

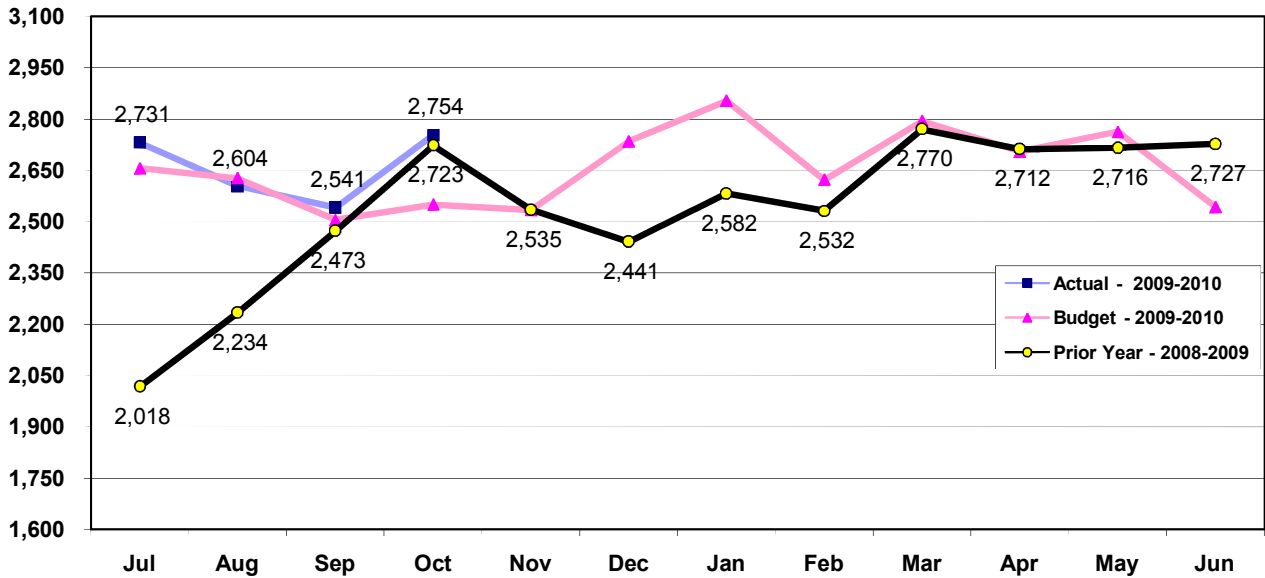
**Volumes**

The combined actual daily census was 88.8 versus a budget of 82.3. This favorable variance was primarily the result of the Acute and Sub-Acute programs that had favorable variances of 6.3 and 1.2 ADC's greater than budget respectively. The Skilled Nursing program average daily census was 20.6 versus a budget of 21.5.



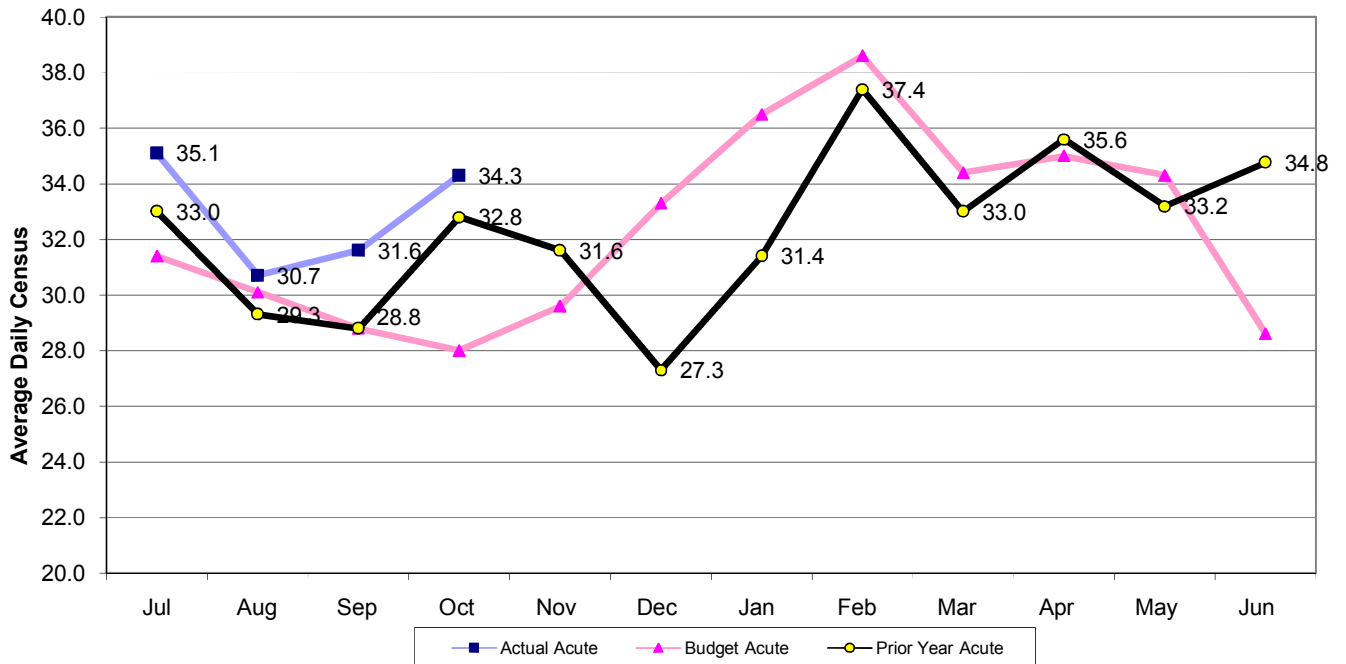
Total patient days in October were 8.0% greater than budgeted and were 1.1% greater than the prior year. The following graph shows the total patient days by month for fiscal year 2010 including South Shore.

### Total Patient Days



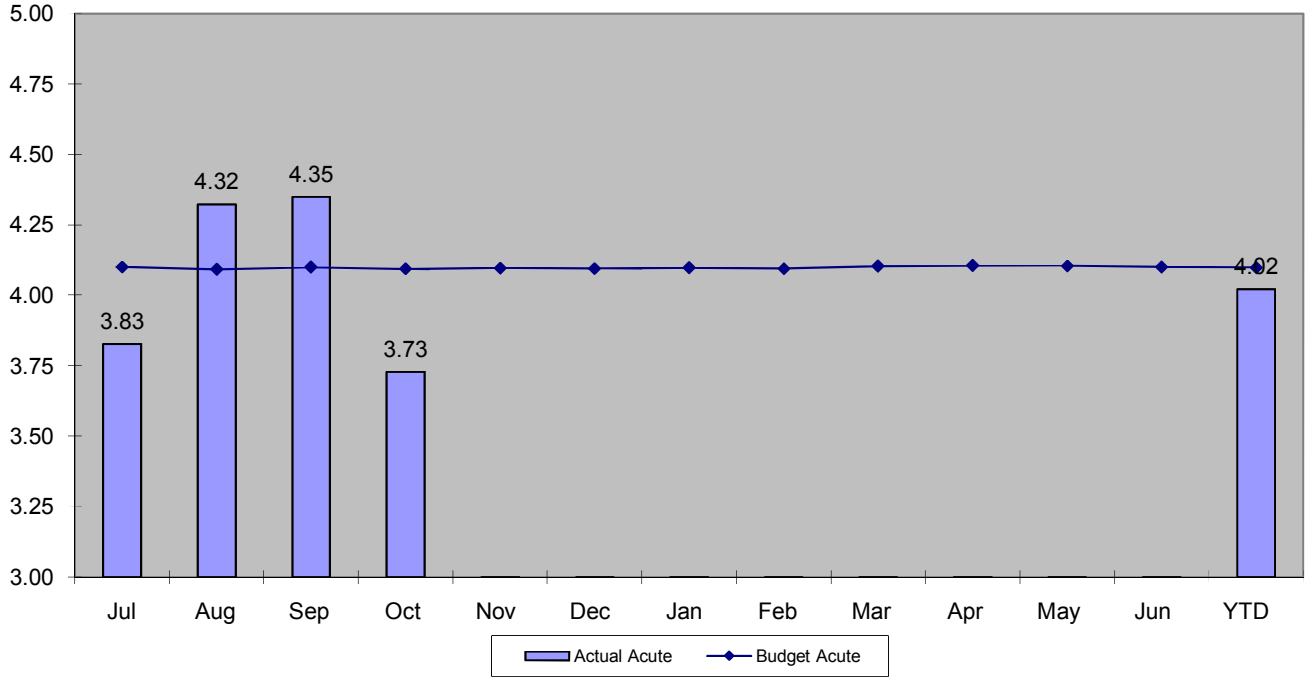
Separating the inpatient components of our volumes for the month of October we see that the acute care patient days were 22.5% (195 days) greater than budgeted and were 4.6% greater than the prior year's average daily census.

### Inpatient Acute Care Average Daily Census



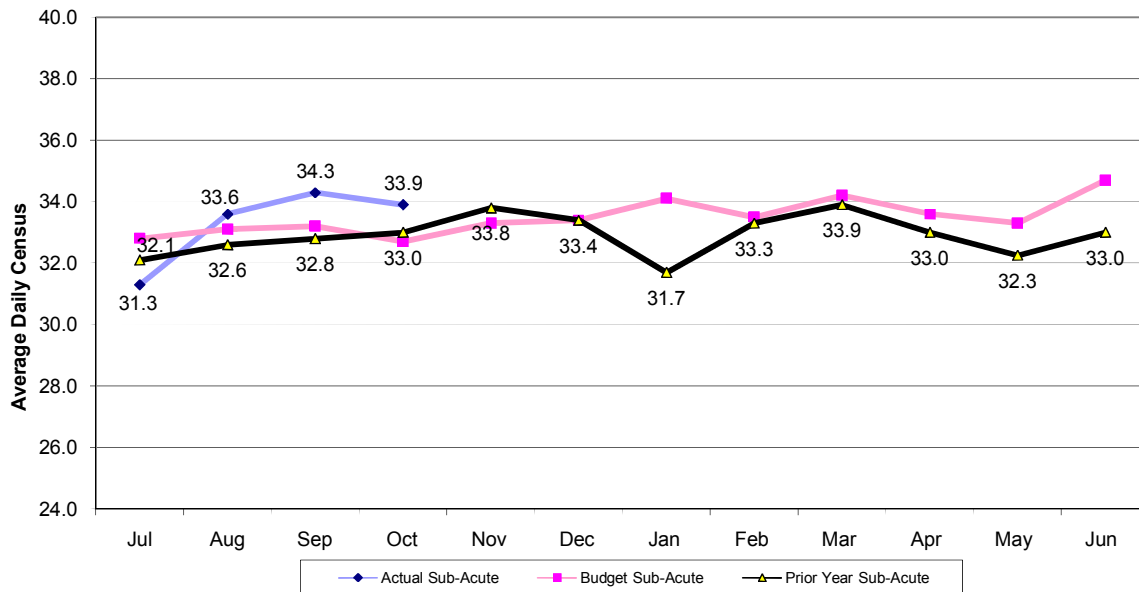
The average length of stay (ALOS) declined to 3.73 days for the month of October. For the first quarter our ALOS is 4.02 which is slightly lower than our projected year to date ALOS of 4.10, and is shown in the graph below.

**Average Length of Stay**



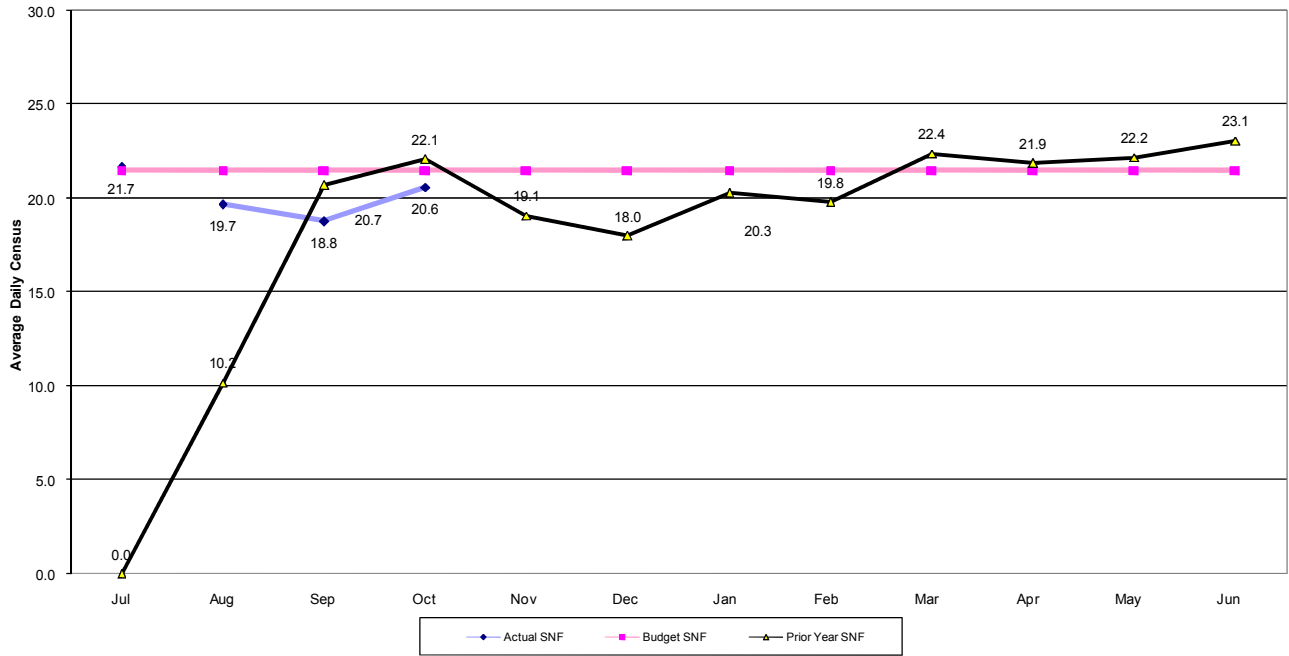
The Sub-Acute programs patient days were 3.6% greater than budget or 37. The graph below shows the Sub-Acute programs average daily census for the current fiscal year as compared to budget and the prior year.

**Sub-Acute Care Average Daily Census**

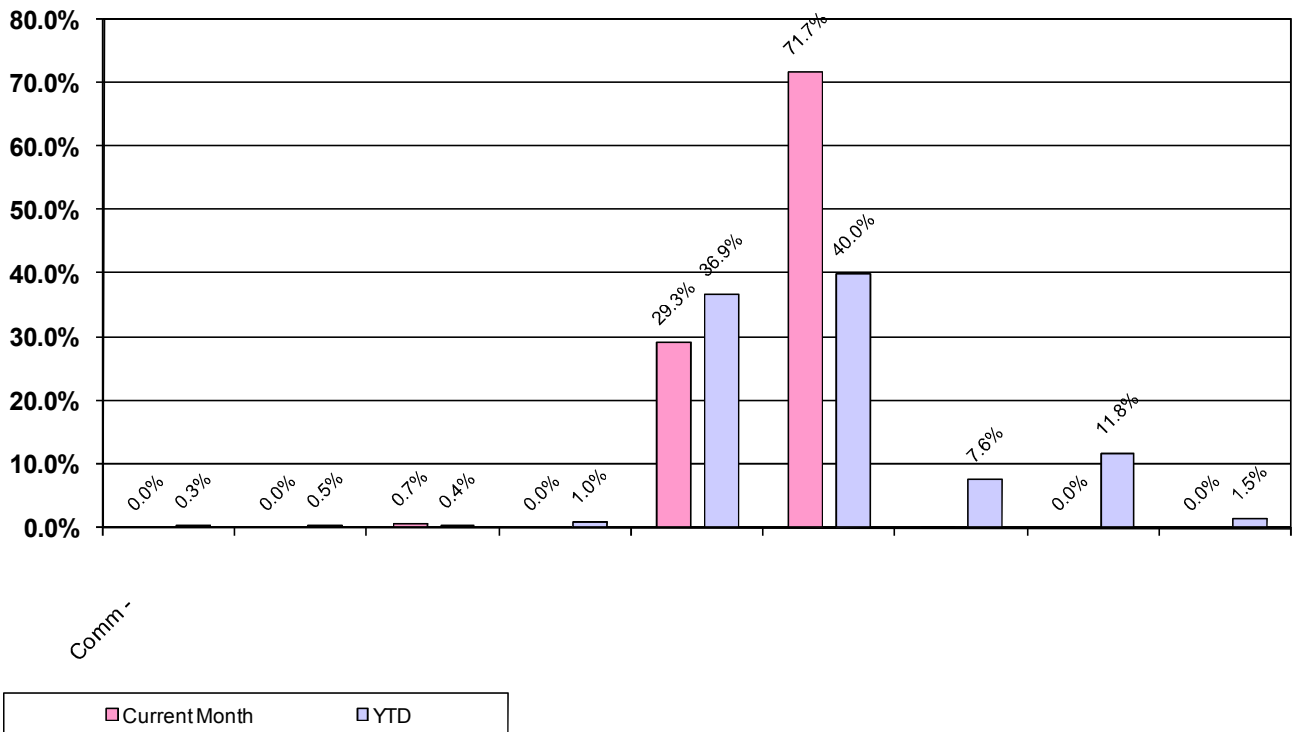


The Skilled Nursing Unit (South Shore) patient days were 4.2% less than budgeted for the month of October. The following graphs show the Skilled Nursing Unit average daily census as compared to budget by month and the payor mix experienced during the current month.

**Skilled Nursing Unit Average Daily Census**



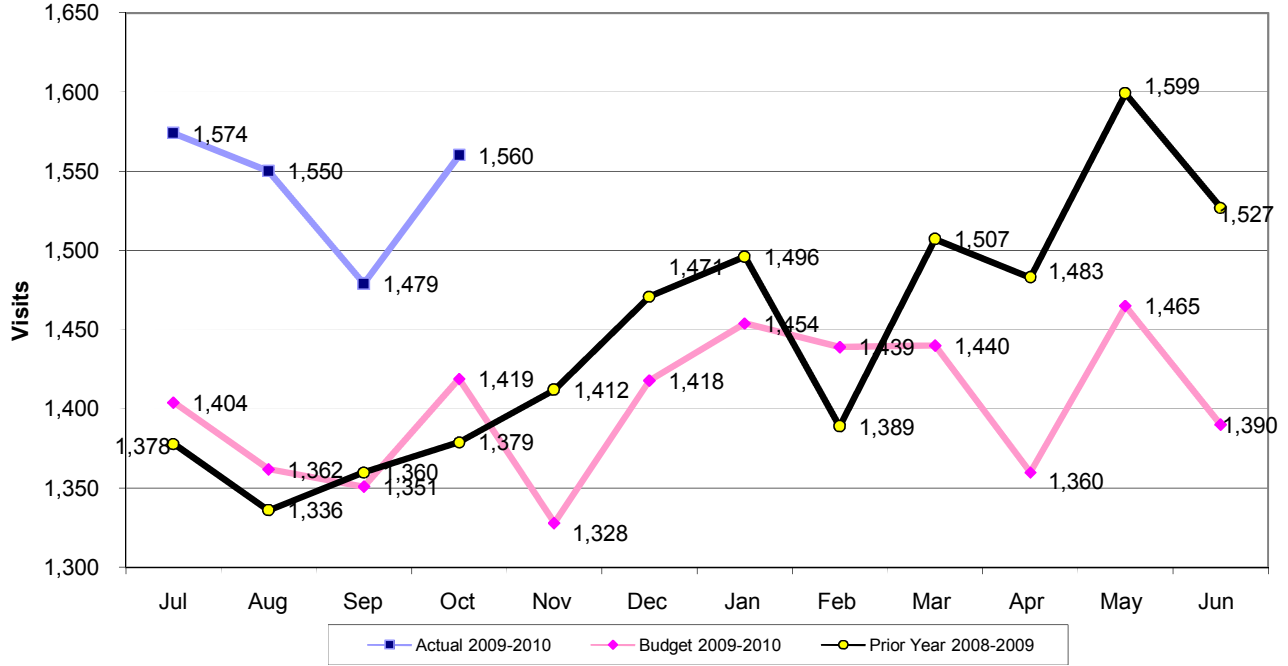
**Skilled Nursing Unit Payor Mix**





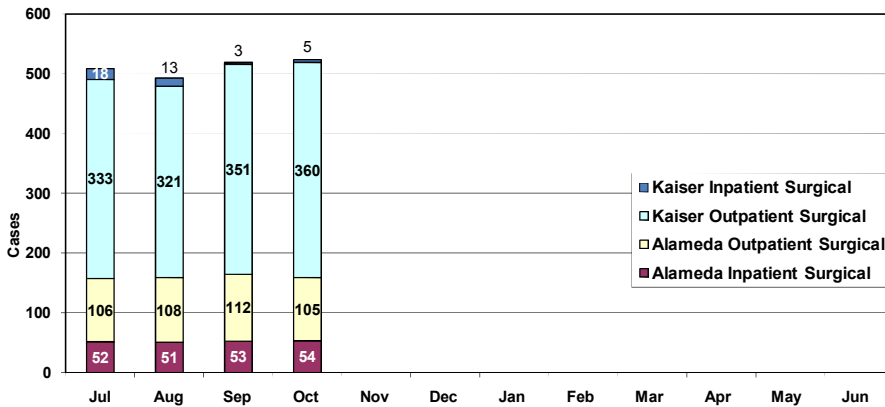
August ER visits were 9.9% greater than budgeted for the month.

### Emergency Care Center Visits



Surgery cases were 524 versus the 478 budgeted and 537 in the prior year. In October, Alameda physician cases decreased slightly over the prior month to 159 cases versus 165 in September. Kaiser related cases in October increased to 365 as compared to the 354 cases performed in September. This increase in Kaiser Same Day volume also resulted in an increase in Surgery revenue (\$92,000). This increase in activity resulted in our reimbursement for Kaiser Outpatient cases in October to declined to 18.7% from 19.1% in the prior month.

### Surgical Cases

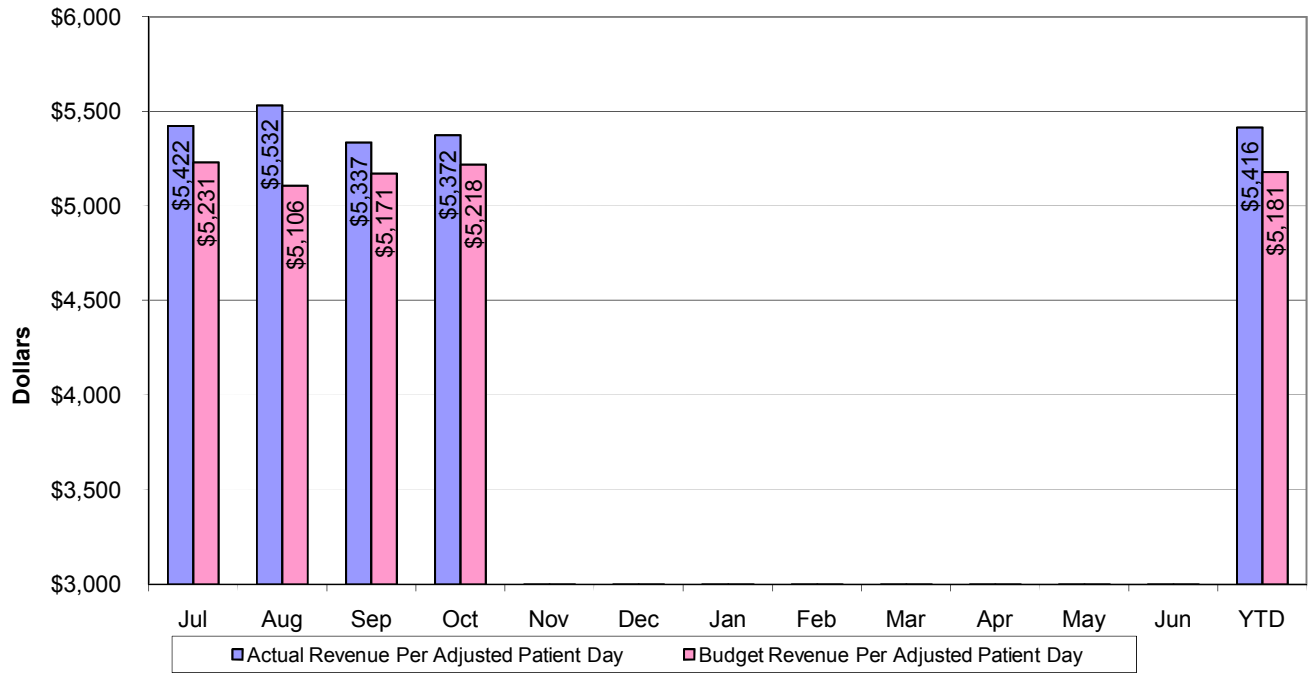


***Income Statement – Hospital Only***

***Gross Patient Charges***

Gross patient charges in October were greater than budgeted by \$1,813,000. This favorable variance was comprised of favorable variances of \$1,491,000,000 and \$322,000 in inpatient and outpatient revenues respectively. On an adjusted patient day basis total patient revenue was \$5,373 versus the budgeted \$5,218 or a 3.0% favorable variance from budget for the month of October.

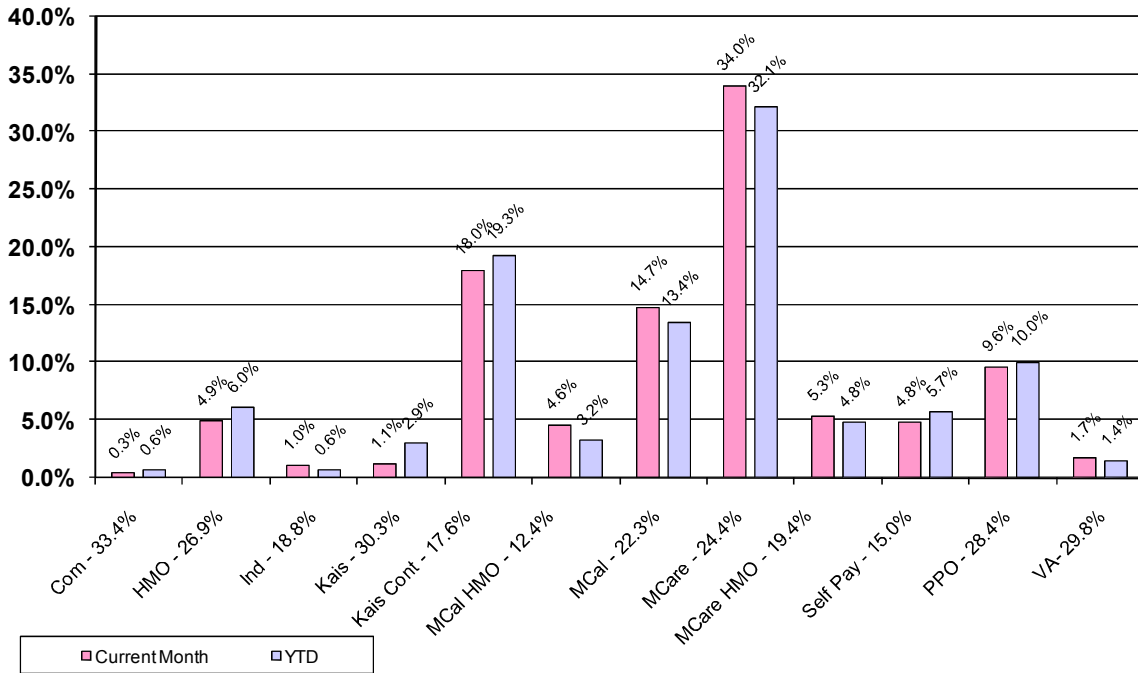
**Gross Charges per Adjusted Patient Day**



***Payor Mix***

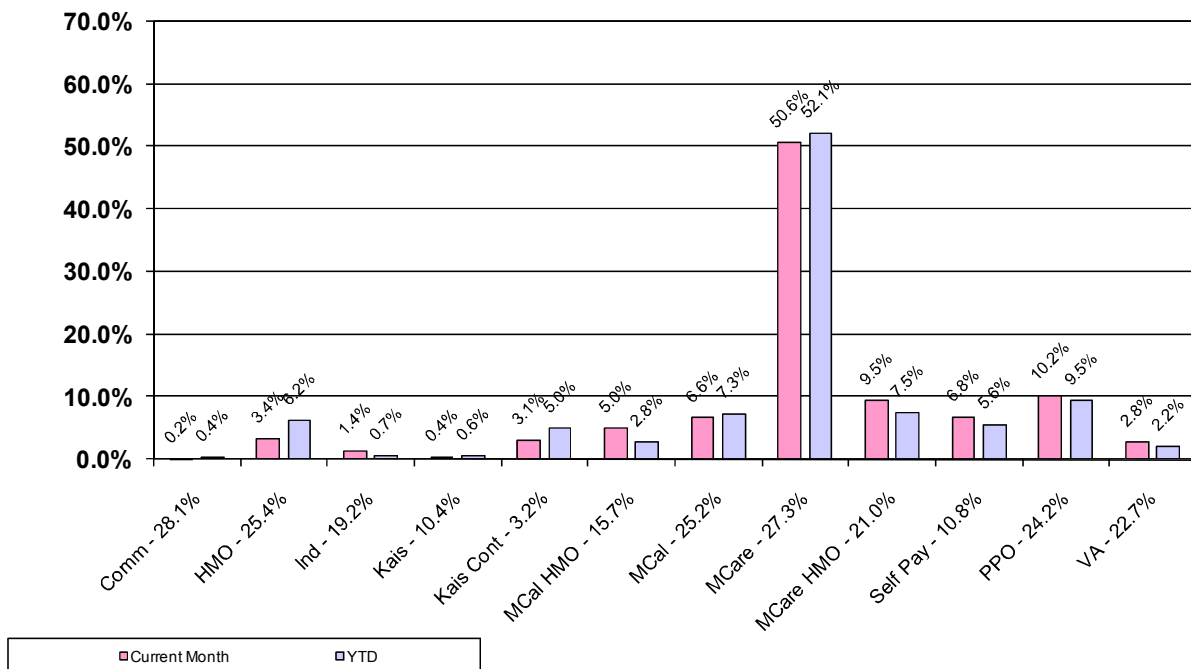
Medicare total gross revenue in October made up 34.0% our total gross patient charges which is slightly higher than the 32.7% in the prior month. Kaiser was again the second largest source of gross patient revenues at 19.1% followed by Medi-Cal utilization at 14.7% and the combined HMO / PPO volume at 14.5%. The graph on the following page shows the percentage of revenues generated by each of the major payors for the current month as well as the current months expected reimbursement for each payor.

### Combined Payor Mix

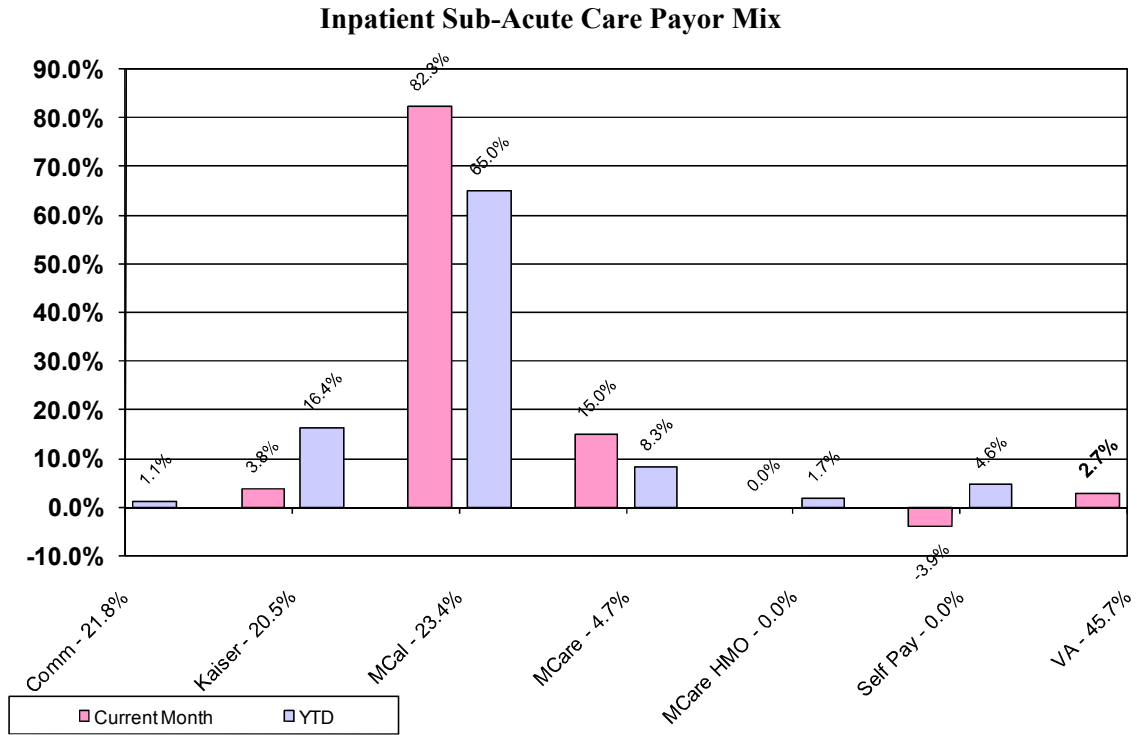


On the Hospital's inpatient acute care business, current month gross Medicare charges were 50.6% of our total inpatient acute care gross revenues. In October there was one case that hit outlier thresholds which favorably impacted net patient revenues coupled with a shift to higher reimbursing DRG coded accounts from that of the previous month. Despite a decline in the Medicare Case Mix Index (CMI) a decreased from 1.4687 in September to 1.3620 in October, the combination of DRG account classifications and the one outlier case, our expected reimbursement for Medicare inpatient cases increased from September's estimate of 24.9% to 27.3% in October.

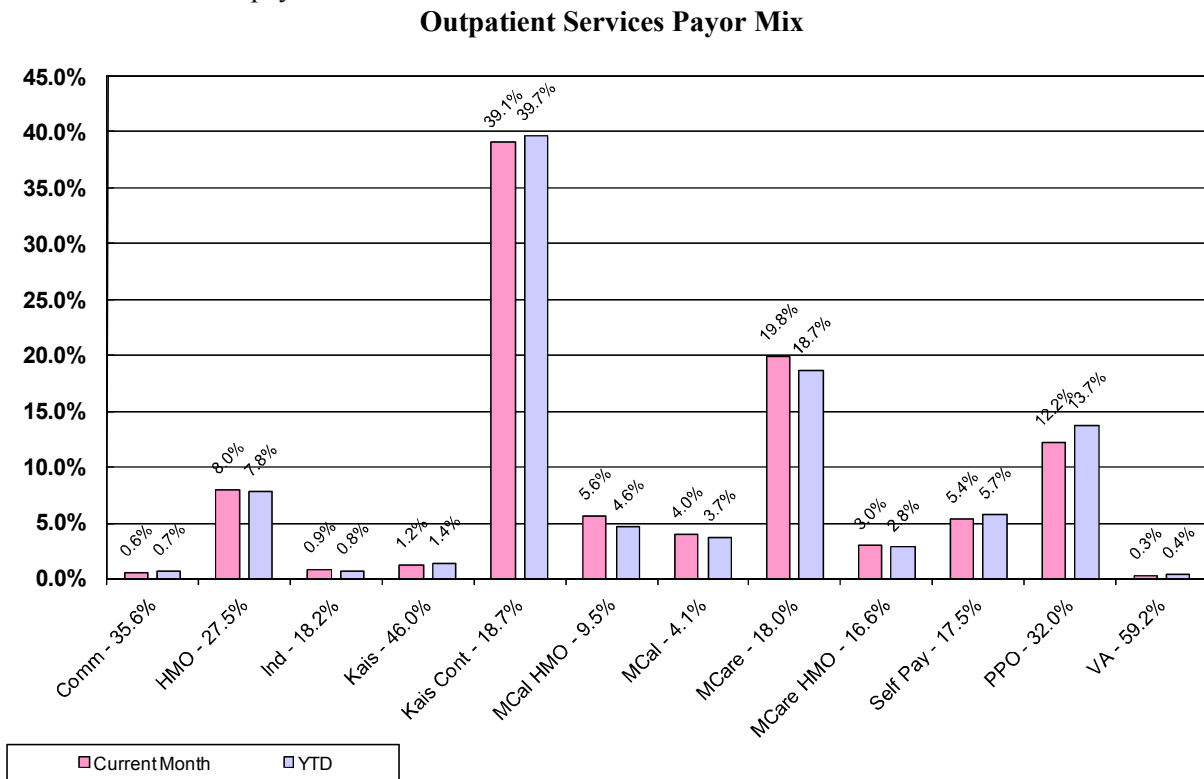
### Inpatient Acute Care Payor Mix



In October the Sub-Acute care program again was dominated by Medi-Cal utilization of 82.3%. The following graph shows the payor mix for October and the expected reimbursement rate for each payor.



The outpatient gross revenue payor mix for October was comprised of 40.3% Kaiser, 19.8% Medicare, 12.2% PPO and 8.0% HMO. The graph below shows the current month outpatient payor mix and expected level of reimbursement for each payor.



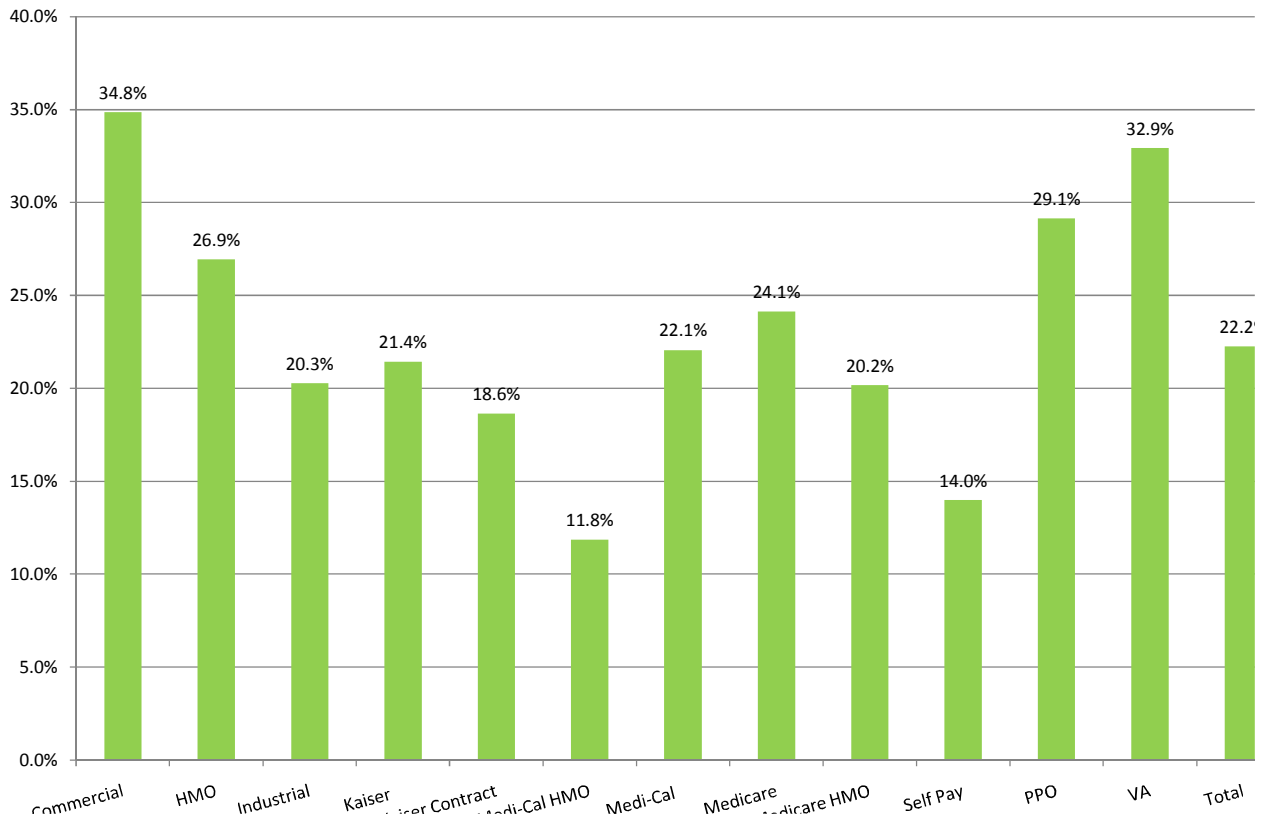
***Deductions from Revenue***

Contractual allowances are computed as deductions from gross patient revenues based on the difference between gross patient charges and the contractually agreed upon rates of reimbursement with third party government-based programs such as Medicare, Medi-Cal and other third party payors such as Blue Cross. In the month of October contractual allowances, bad debt and charity adjustments (as a percentage of gross patient charges) were 77.2% versus the budgeted 77.0%.

***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.

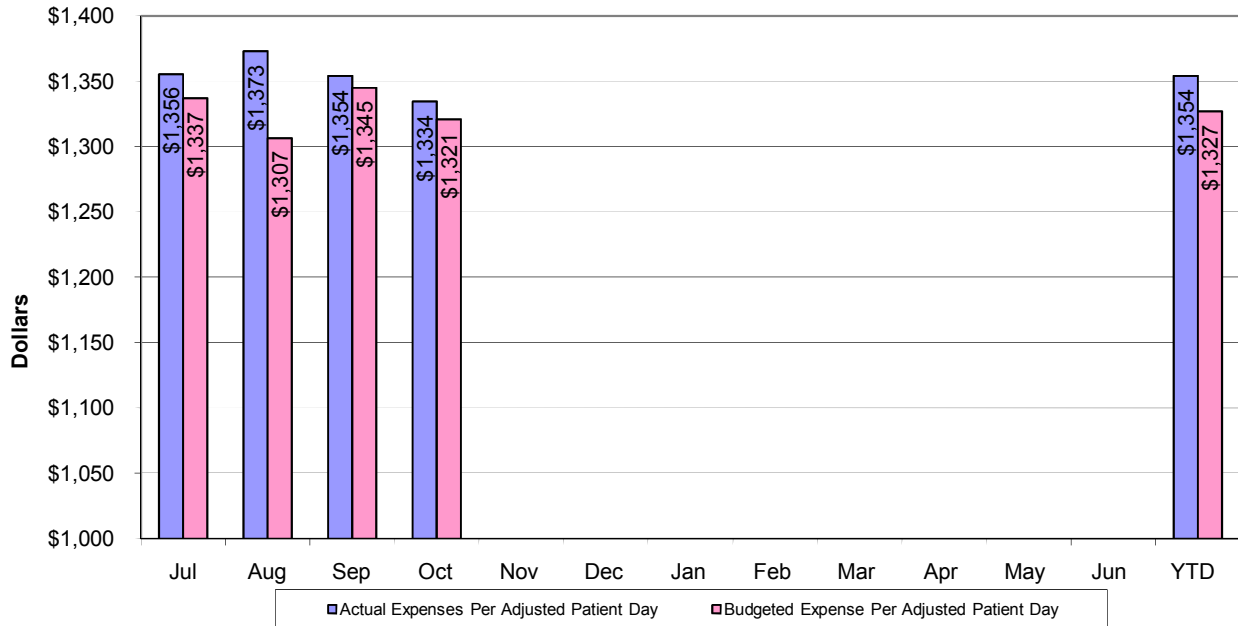
**Average Reimbursement % by Payor  
 October 2009 Year-to-Date**



***Total Operating Expenses***

Total operating expenses were greater than the fixed budget by \$337,000 or 5.6%. On an adjusted patient day basis, our cost per adjusted patient day was \$1,335 which was \$14 per adjusted patient day unfavorable to budget. This variance in expenses per adjusted patient day was primarily the result of unfavorable variances in salaries and supplies. 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.

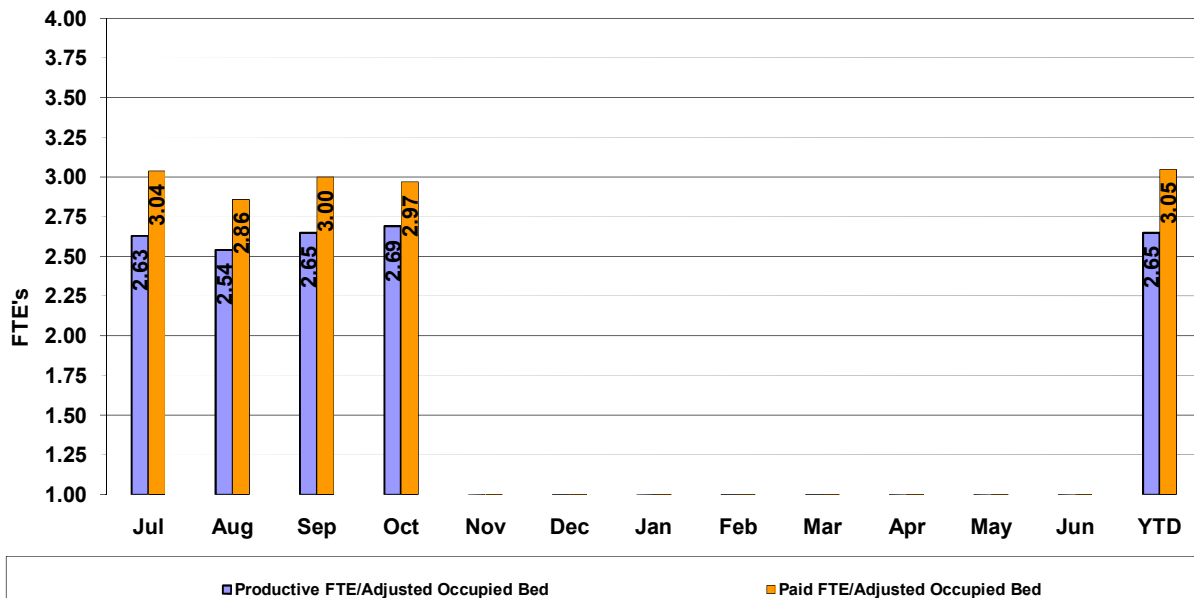
### Expenses per Adjusted Patient Day



### Salary and Registry Expenses

Salary and registry costs combined were unfavorable to the fixed budget by \$281,000 but were \$29 per adjusted patient day unfavorable to budget in October. This variance was driven by unfavorable variance in the acute nursing units, surgery and the lab. In addition, there was an additional \$45,000 of salary expense for the OB/GYN Clinic that were inadvertently omitted from the first quarters financial reports. On an adjusted occupied bed basis, productive FTE's were 2.69 in October versus the budgeted 2.58. The graph below shows the productive and paid FTE's per adjusted occupied bed for FY 2010 by month and year to date.

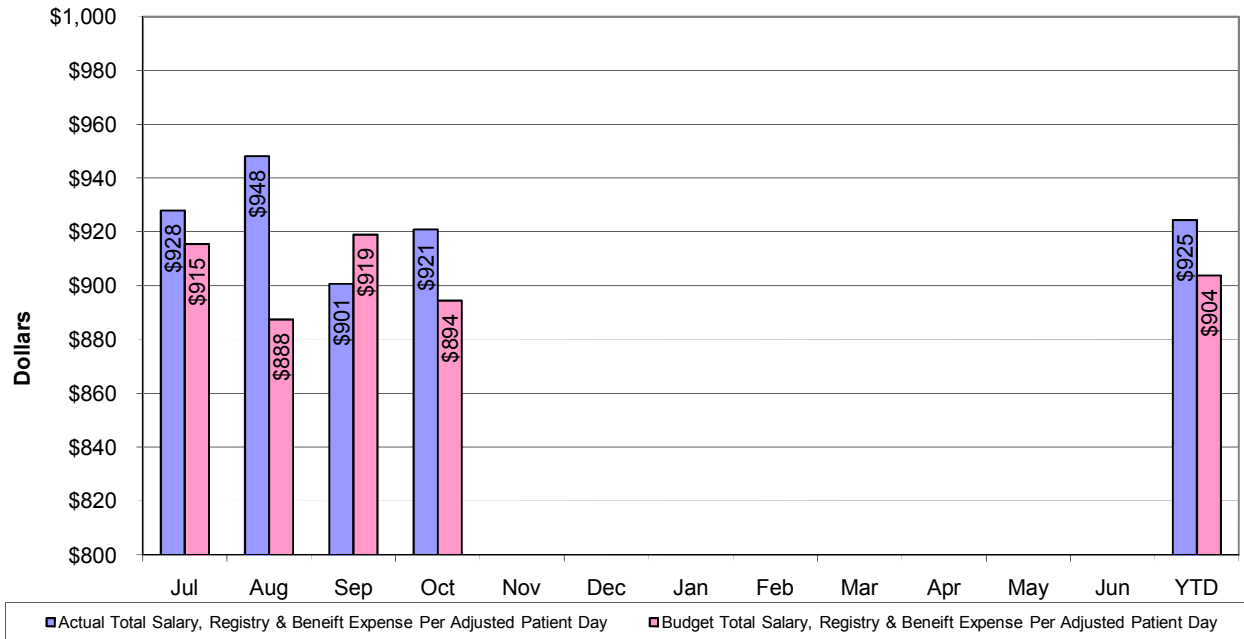
### FTE's per Adjusted Occupied Bed



**Benefits**

Benefit costs were \$30,000 unfavorable to the fixed budget but were \$2 favorable to budget on an adjusted patient day basis in October. 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**



**Supplies**

The supplies expense category was unfavorable to budget by \$161,000. This unfavorable variance from the fixed budget was primarily the result of increased prosthetics (\$55,000), lab supplies (\$16,000) and pharmacy costs (\$93,000) in October that were the result of the current month’s activities.

**Purchased Services**

Purchased services expenses were over budget by \$20,000 as a result of the first quarterly installment (\$27,500) for participation in the Advisory Board’s Revenue Cycle Compass program which will be used to minimize our RAC exposure.

**Depreciation and Amortization**

Depreciation and amortization expense was \$32,000 less than budgeted in October as a result of various pieces of equipment that were purchased in 2004 which became fully depreciated in June 2009.

The following pages include the detailed financial statements for the three months ended September 30, 2009.

**ALAMEDA HOSPITAL**  
**Balance Sheet**  
**October 31, 2009**

	<b>October 31, 2009</b>	<b>September 30, 2009</b>	<b>Audited June 30, 2009</b>
<b>Assets</b>			
<i>Current assets:</i>			
Cash and cash equivalents	\$ 906,808	\$ 2,220,813	\$ 1,866,540
Net Accounts Receivable	9,576,869	9,412,793	10,069,536
Net Accounts Receivable %	22.58%	22.58%	22.15%
Inventories	1,289,265	1,299,302	1,291,072
Est.Third-party payer settlement receivable	469,013	458,928	351,648
Other assets	7,086,211	7,045,767	6,920,987
Total Current Assets	19,328,166	20,437,603	20,499,783
Restricted by contributors and grantors for capital acquisitions and research-Jaber Estate	504,469	496,257	468,209
Total Non-Current Assets	504,469	496,257	468,209
<i>Fixed Assets:</i>			
Land	877,945	877,945	877,945
Depreciable capital assets, net of accumulated depreciation	5,878,594	5,906,546	6,029,967
Total fixed assets, net of accumulated depreciation	6,756,539	6,784,491	6,907,912
Total Assets	\$ 26,589,174	\$ 27,718,351	\$ 27,875,904
<b>Liabilities and Net Assets</b>			
<i>Current Liabilities:</i>			
Current portion of long term debt	\$ 455,590	\$ 458,979	\$ 436,733
Accounts payable and accrued expenses	6,413,321	6,460,673	6,244,967
Payroll and benefit related accruals	4,179,405	4,851,490	3,765,683
Est.Third-party payer settlement payable	193,412	200,000	306,588
Other liabilities	5,466,046	5,966,186	7,274,242
Total Current Liabilities	16,707,774	17,937,328	18,028,213
<i>Long-Term Liabilities:</i>			
Debt borrowings net of current maturities	1,552,003	1,586,331	1,733,631
Total Long-Term Liabilities	1,552,003	1,586,331	1,733,631
Total Liabilities	18,259,777	19,523,659	19,761,844
<i>Net Assets</i>			
Unrestricted Funds	7,758,253	7,671,760	7,615,851
Restricted Funds	571,144	522,932	498,209
Net Assets	8,329,397	8,194,692	8,114,060
Total Liabilities and Net Assets	\$ 26,589,174	\$ 27,718,351	\$ 27,875,904







**ALAMEDA HOSPITAL**  
KEY STATISTICS  
OCTOBER 2009

	ACTUAL OCTOBER 2009	CURRENT FIXED BUDGET	VARIANCE (UNDER) OVER	%	OCTOBER 2008	YTD OCTOBER 2009	YTD FIXED BUDGET	VARIANCE	%	YTD OCTOBER 2008
<b>Discharges:</b>										
Total Acute	285	212	73	34.4%	253	1,007	888	119	13.4%	926
Total Sub-Acute	1	4	(3)	-75.0%	4	6	15	(9)	-60.0%	15
Total Skilled Nursing	14	13	1	7.7%	17	52	52	-	0.0%	31
	300	229	71	31.0%	274	1,065	955	110	11.5%	972
<b>Patient Days:</b>										
Total Acute	1,063	868	195	22.5%	1,016	4,049	3,638	411	11.3%	3,810
Total Sub-Acute	1,052	1,015	37	3.6%	1,023	4,093	4,054	39	1.0%	4,015
Total Skilled Nursing	639	667	(28)	-4.2%	684	2,488	2,646	(158)	-6.0%	1,619
	2,754	2,550	204	8.0%	2,723	10,630	10,338	292	2.8%	9,444
<b>Average Length of Stay</b>										
Total Acute	3.73	4.09	(0.36)	-8.9%	4.02	4.02	4.10	(0.08)	-1.9%	4.11
<b>Average Daily Census</b>										
Total Acute	34.29	28.00	6.29	22.5%	32.77	32.92	29.58	3.34	11.3%	30.98
Total Sub-Acute	33.94	32.74	1.19	3.6%	33.00	33.28	32.96	0.32	1.0%	32.64
Total Skilled Nursing	20.61	21.52	(0.90)	-4.2%	22.06	20.23	21.51	(1.28)	-6.0%	21.30
	88.84	82.26	6.58	8.0%	87.84	86.42	84.05	3.66	4.4%	84.92
<b>Emergency Room Visits</b>	1,560	1,419	141	9.9%	1,379	6,163	5,536	627	11.3%	5,453
<b>Outpatient Registrations</b>	2,651	2,929	(278)	-9.5%	2,713	10,342	10,187	155	1.5%	10,236
<b>Surgery Cases:</b>										
Inpatient	59	59	-	0.0%	71	249	213	36	16.9%	241
Outpatient	465	419	46	11.0%	466	1,796	1,612	184	11.4%	1,745
	524	478	46	9.6%	537	2,045	1,825	220	12.1%	1,986
Kaiser Inpatient Cases	5	11	(6)	-	7	39	37	2	-	35
Kaiser Eye Cases	172	174	(2)	-1.1%	187	665	623	42	6.7%	668
Kaiser Outpatient Cases	188	142	46	32.4%	177	700	580	120	20.7%	648
Total Kaiser Cases	365	327	38	11.6%	371	1,404	1,240	164	13.2%	1,351
% Kaiser Cases	69.7%	68.4%	38	69.1%	69.1%	68.7%	67.9%	68.7%	68.0%	68.0%
<b>Adjusted Occupied Bed</b>	154.44	147.81	(6.63)	-4.5%	154.57	152.12	148.05	4.07	2.7%	135.28
<b>Productive FTE</b>	415.55	381.22	(34.33)	-9.0%	385.12	399.98	382.17	(17.81)	-4.7%	364.13
<b>Total FTE</b>	458.98	430.76	(28.22)	-6.6%	430.48	451.43	436.58	(14.85)	-3.4%	414.51
<b>Productive FTE/Adj. Occ. Bed</b>	2.69	2.58	(0.11)	-4.3%	2.49	2.63	2.58	(0.05)	-1.9%	2.69
<b>Total FTE/ Adj. Occ. Bed</b>	2.97	2.91	(0.06)	-2.0%	2.79	2.97	2.95	(0.02)	-0.6%	3.06



DATE: December 9, 2009  
TO: City of Alameda Health Care District Board of Directors  
FROM: Deborah E. Stebbins, CEO  
SUBJECT: Recommendation on Mental Health Parity Implementation

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**Recommendation:**

Management recommends that the Board of Directors delay a decision to implement an upgrade in mental health benefits to mirror medical benefits in coverage and treatment limits this plan year and review it for potential implementation in 2011.

**Background:**

1. The Mental Health Parity Act of 1996 (MHPA) and the Mental Health Parity & Addiction Equity Act of 2008 (MHPAEA) require that mental health benefits mirror medical benefits in coverage and treatment limits in a group health plan.
2. Key changes made by MHPAEA are effective for plan years beginning 10/3/09.
3. There is a waiver of MHPA/MHPAEA set forth by the federal government that applies to public entities, including district hospitals, which would allow Alameda Hospital to either:
  - a. Maintain the current level of benefits (no expansion), or
  - b. Delay implementation of MHPA/MHPAEA until a different plan year
4. Currently the Alameda Hospital group health plan allows coverage for mental health and substance abuse treatment but restricts the number of visits per year (50 visits inpatient/outpatient) and has an applied deductible (both in and out of network) which would need to be changed to mirror the medical plan designs in order to comply with MHPA/MHPAEA.
5. Using their data bank as a resource, our Broker, Mercer estimates that these expanded benefits would cost \$40,000 annually.

**Discussion:**

Philosophically, management concurs with the parity between mental health and medical health benefits for our employees. Given the current economic climate, we feel this decision could be deferred for reconsideration at the start of the next plan year.



DATE: December 9, 2009  
TO: City of Alameda Health Care District, Board of Directors  
FROM: Deborah Stebbins  
SUBJECT: Employee Assistance Program (EAP)

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**Recommendation:**

Management recommends expanding our Employee Assistance Program (EAP) benefits from the limited service model currently in place (telephonic consultation only) to Managed Health Network (MHN) offering face-to-face consults. These EAP benefits cost \$16.32 per employee per year, annual cost of approximately \$10,000.

**Background:**

Alameda Hospital currently has an EAP through Magellan Health which employees and their eligible dependents can access on a limited basis and on a telephonic basis only. The current plan does not offer management coaching skills nor employee in-service opportunities.

Based on the feedback we received from the Employee Satisfaction Survey, employees felt an EAP would assist them with everyday life and work stresses.

The selection process for a new EAP compared four vendors and included the EAP currently being offered. Benefits levels were examined for each company, (e.g., telephonic coverage vs. face-to-face coverage, management assistance, in-service training). Calls were placed to current user Hospitals (comparable in size to ours) to determine satisfaction and service levels with the company each hospital used. Each of the EAP websites was evaluated to ensure easy access and understanding for our employees.

**Discussion:**

The EAP will benefit employees and their eligible dependents with various life stress issues and will assist Managers and Supervisors with effective employee coaching techniques and can be used for employee in-service trainings.

1. Services offered through MHN:
  - a. Clinical Counseling-Employee can choose either telephonic or face-to-face consultation.
  - b. Online Member Services
  - c. Client Services
2. Management Consultation – unlimited telephonic for assistance with handling difficult workplace situations and troubled employees.
3. Job Performance Referrals – unlimited formal referrals into EAP to address an employee’s Job Performance problems and reach resolution.
4. Training/Workshops/Brown Bag In-Service: Wide selection of up-to-date trainings/workshops available through MHN’s professional trainers. Customization would be an additional cost.
5. Twice yearly utilization reports to judge effectiveness/usage of EAP