Alameda Hospital

CITY OF ALAMEDA HEALTH CARE DISTRICT

PUBLIC NOTICE

CITY OF ALAMEDA HEALTH CARE DISTRICT

BOARD OF DIRECTORS

AGENDA

Monday, December 13, 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

(Rescheduled from December 6, 2010)

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. Swearing-In of Elected Board Members by Honorable Beverly Johnson, Mayor City of Alameda (6:00 p.m. – Dal Cielo Conference Room)

A. Robert Deutsch, MD

B. Stewart Chen, DC

C. Elliott Gorelick

II. Call to Order Jordan Battani

III. Roll Call Kristen Thorson

IV. Special Recognition Jordan Battani

A. Rob Bonta

B. Leah Williams

C. Alka Sharma, MD

V. District Board Orientation (Separate Agenda – To Be Distributed)

VI. Consent Agenda 1

A. Approval of November 8, 2010 Regular Meeting Minutes **ACTION ITEM** [enclosure] (PAGES 4 -14)

VII. Consent Agenda 2

B. Acceptance of October 2010 Financial Statements **ACTION ITEM** [enclosure] (PAGES15-34)

C. Approval of 403(b) Tax Deferred Annuity Retirement Plan Compliance Amendments (HEART and EESA) **ACTION ITEM** [enclosure] (PAGE 35)

D. Approval of Revisions To Medical Staff By-Laws, Podiatry Privilege Delineation **ACTION ITEM** [enclosure] (PAGES 36-44)

VIII. Regular Agenda

A. Action Items

1) Approval of District Resolution No. 2010-4H - 2011 Statement of Director Duties and Responsibilities — Jordan Battani
ACTION ITEM [enclosure] (PAGES 45-49)

2) Approval of Lease Terms for 815 Atlantic Avenue — Kerry Easthope
ACTION ITEM [enclosure] (PAGES 50-61)

3) Approval of Wound Care Construction Build-Out Budget — Kerry Easthope
ACTION ITEM [enclosure] (PAGES 62-68)

B. President's Report — Jordan Battani

1) District Board Committees Background Materials
INFORMATIONAL [enclosure] (PAGES 68-73)

2) Draft 2011 District Board Meeting Dates **INFORMATIONAL**
[enclosure] (PAGES74-75)

C. Chief Executive Officer's Report — Deborah E. Stebbins

1) Monthly Statistics

2) Stroke Certification Update

3) IT Projects Update

D. Finance and Management Committee Report — Jordan Battani

1) Committee Report – November 24, 2010

E. Community Relations and Outreach Report — J. Michael McCormick

1) Committee Report – November 16, 2010

F. Medical Staff President Report — Alka Sharma, MD

VIII. General Public Comments

IX. Board Comments

X. Adjourn into Executive Closed Session (2 East Board Room)

XI. Closed Session Agenda

A. Approval of Closed Session Minutes – November 8, 2010

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. 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

XII. Reconvene to Public Session (2 East Board Room)

A. Announcements from Closed Session — Jordan Battani

XIII. General Public Comments

XIV. Board Comments

XIII. Adjournment

Alameda Hospital
CITY OF ALAMEDA HEALTH CARE DISTRICT

DRAFT

Minutes of the Board of Directors

November 8, 2010

Directors Present:		Management Present:	Legal Counsel Present:	Medical Staff Present:	Excused:
Jordan Battani	J. Michael McCormick	Deborah E. Stebbins	Thomas Driscoll, Esq.	Alka Sharma, MD (partial)	
Robert Bonta	Leah D. Williams	Kerry J. Easthope			
Robert Deutsch, MD		David A. Neapolitan			

Submitted by: Kristen Thorson

Topic	Discussion	Action / Follow-Up
I. Call to Order	Jordan Battani called the Open Session of the Board of Directors of the City of Alameda Health Care District to order at 6:10 p.m.	
II. Roll Call	Kristen Thorson called roll, noting that a quorum of Directors were present	
III. Adjourn into Executive Closed Session	At 6:11 p.m. the meeting adjourned to Executive Closed Session.	
IV. Closed Session Agenda		
V. Regular Agenda	A. Announcements from Closed Session The meeting was reconvened into Open Session at 7:50 p.m. Alka Sharma was absent from Open Session. Ms. Battani reported that the following actions were taken in Closed Session. 1. Closed Session Minutes – October 4, 2010 (Regular) and October 11, 2010 (Special) 2. Medical Executive Committee Report and Approval of Credentialing Recommendations 3. Board Quality Committee (BQC) Report – August 2010	The Closed Session Minutes were approved. The Medical Executive Committee Report and Credentialing Recommendations were approved as presented below. The BQC report was accepted as presented.

Initial Appointments – Medical Staff

Name	Specialty	Affiliation
○ Kimberly Blumberg, MD	Teleradiology	Bay Imaging Consultants
○ Samuel Choi, MD	Teleradiology	Bay Imaging Consultants
○ Barry Engelstad, MD	Teleradiology	Bay Imaging Consultants
○ Ira Finch, MD	Teleradiology	Bay Imaging Consultants
○ David Goldberg, MD	Teleradiology	Bay Imaging Consultants

Reappointments – Medical Staff

Name	Specialty	Staff Status	Appointment Period
○ Emmons Collins, MD	Internal Medicine	Active	12/01/10 – 11/31/12
○ Susan Fertig, MD	Radiology	Active	12/01/10 – 11/31/12
○ Robert Kim, MD	Radiology	Courtesy	12/01/10 – 11/31/12
○ Mathias Masem, MD	Orthopedics	Courtesy	12/01/10 – 11/31/12

Reappointments – Allied Health Professional Status

Name	Specialty	Appointment Period
○ Julie Wiley, PA-C	Physician Assistant	12/01/10 – 11/31/12

Proctoring - Initial Appointment

Name	Specialty
○ Amardeep Mangat, DO	Internal Medicine
○ Maria Miler, DO	Internal Medicine
○ Liesl Pavlic, MD	Internal Medicine
○ Pushpasree Sajja, MD	Internal Medicine
○ Barry Samuel, MD	Anesthesiology

Resignations

Name	Specialty
○ Calvin Benton, MD	General Surgery
○ David Birch, CRNA	Nurse Anesthetist
○ Peter Bui, MD	Oral/Maxillofacial Surgery
○ Joseph Cheng, MD	Orthopedics

○ Lawrence Ford, DPM	Podiatry	
○ Josef Gorek, MD	Orthopedics	
○ George Kazantsev, MD	General Surgery	
○ Donald Liberty, DDS	Oral/Maxillofacial Surgery	
○ Floyd Mah, MD	Anesthesiology	
○ Felice O'Ryan	Oral/Maxillofacial Surgery	
○ Melanie Penalver, CRNA	Nurse Anesthetist	
○ Jason Skalet, MD	Ophthalmology	
○ Barry Snyder, MD	Ophthalmology	
○ Ming Chien Tang, MD	Anesthesiology	
○ Robin Vora, MD	Ophthalmology	
VI. Consent Agenda	A. Approval of October 4, 2010 Regular Meeting Minutes B. Approval of October 11, 2010 Special Meeting Minutes C. Acceptance of September 2010 Financial Statements D. Approval of Administrative Policies and Procedures E. Approval to Enter into an Agreement with Ratcliff Architects for Seismic Project F. Approval to Enter into an Agreement with Fugro for Geo-Technical Testing G. Approval of 401(a) Retirement Plan Amendment	Director Bonta made a motion to approve the Consent Agenda as presented. Director Deutsch seconded the motion. The motion approved unanimously.
VII. Regular Agenda	A. Action Items 1. Approval of Seismic Budget Associate Administrator Kerry Easthope, presented the recommendation to approve the seismic budget to the Board of Directors. He stated that the recommendation and discussion has been included in the Board Packet. A large print copy of the budget was handed out to the Board for ease of reading. Mr. Easthope stated that the hospital's objective is to bring two of the hospital buildings up to compliance with SB 1953 and decommission one building as required. Director Battani asked for clarification on the budget in regards to the approval of the two Agreements approved on the consent agenda and if those amounts were reflected in the presented budget under *Spent to Date* and	Director Williams made a motion to approve the Seismic Budget as presented. Director McCormick seconded the motion. The motion carried unanimously.

Committed. Mr. Easthope explained that the *Spent to Date* and *Committed* amounts would be updated to include the amounts that the board approved on the Consent Agenda. Mr. Easthope also stated that as indicated in the memo, the hospital will not begin construction until financing is secured. Mr. Easthope highlighted the two cash flow charts that were included in the Board Packet. Nate Lensink from Jtech Construction Management presented the detailed combined budget and the three subcategories; Increment 1 (structural), Increment 2 (relocation) and Enabling / Decommissioning. Mr. Lensink stated that the key driver and largest expense in the budget is the 1925 building and the relocation of the kitchen to a seismically compliant building. Mr. Lensink reviewed in detail the Combined Budget, including the following categories:

1. Fees, Entitlements & Permits = $418,834
2. Construction = 6,307,737
3. Equipment = $121,000
4. Furniture and Furnishings = $184,300
5. Communication = $125,000
6. Professional Services = $2,200117
7. Legal & Real Estate Expenses = $15,000
8. Contingency = $37,199
9. Total Project Budget = 10,309,187

Director McCormick asked about the contingency amounts. He stated that certain categories (4, 5, 6), have contingency amounts built in to the line items, how does that differ from owners contingency. Mr. Lensink stated that there are specific contingencies built into those subcategories. The owners contingency is built into the budget for unforeseen variables that will present themselves as the project moves forward, such as change orders.

Director Williams thanked Mr. Lensink for coming to the meeting tonight. She asked what the NPC-3 work he referred to that it may be required in other areas and asked for clarification. The NPC-3 is already permitted through the State, and entails the non-structural work that needs to be done, such as bracing of ceilings. More work could be discovered during construction. Mr. Easthope stated that the hospital has applied for an extension for the NPC-3 work, but have included it in the budget in the event that the extension is not granted.

Public Speakers: Elliott Gorelick spoke on the Seismic Budget.

Director Battani asked if there were any questions and then asked for a motion for approval.

2. Acceptance of Annual Compliance Report

Joyce Walker, Director of Budget and Compliance presented the Annual Compliance Report to the Board as presented in the Board Packet. The report covers an 18month reporting period and reporting will be aligned with the fiscal year going forward.

Director Deutsch made a motion to accept the annual Compliance Report. Director McCormick seconded the motion. The motion carried unanimously.

Director Deutsch asked if compliance program was covered at New Hire Orientation as well as annual re-orientation of staff as it was important that people know about the program. Ms. Walker stated that it was. Ms. Walker is planning on establishing an internal website for staff to go to for information. He also stated that it would be a good idea to ask managers to remind Staff about the Compliance Program on a regular basis. She will also plan to attend staff meetings.

Director McCormick commented that the program is going in the right direction and will be interested in getting updates in the future regarding the business associate agreements.

3. CEO Employment Agreement

Director Battani presented the recommendation to authorize the renewal of the CEO employment agreement with Deborah Stebbins effective November 1, 2010 including the revisions and adjustments detailed in memorandum in the board packet. Director Battani stated that Ms. Stebbins performance, leadership and results have consistently exceeded expectations, based on her annual performance appraisal and the overall performance of the hospital. She stated that the hospital and District face significant challenges over the next few years and continuity and excellence in leadership will be a key success factor for the organization. She stated that there were a number of provisions in the existing employment agreement that required updating to align the renewed agreement with strategic objectives, relevant market conditions and comparison of total compensation and with relevant regulatory requirements. The recommendations presented have been reviewed by legal counsel. In regards to compensation, she recommended that the contract be updated to reflect the Hospital's current pay practices, in which compensation is reviewed annually and that would be conducted in line with the annual performance review. Ms. Stebbbins contract did not have that provision.

Director Williams made a motion to authorize the renewal of the CEO employment Agreement as outlined. Director McCormick seconded the motion. The motion carried unanimously.

In addition, she recommended that the Board undertake a market compensation survey this year and at some frequency going forward to assess the total compensation of hospital executives in light of market conditions and relative market comparisons and that we not adjust the base compensation and total compensation until the survey has been completed. However, she is recommending a one-time payment ($8,700) to Ms. Stebbins to reflect the 3% increase to her base compensation that should have taken place on November 1, 2009.

Director Williams asked about the history of the Hospital and Board completing a market survey on compensation. Ms Battani stated that the Board has not done a formal survey in the past but has a responsibility to know. Ms. Williams explained that she was wearing sunglasses due to an eye injury. She stated that is was a good thing to do as a board and appreciate the CEO being a good steward and participant in the discussion. Second, due to the nature of our hospital uniqueness in terms of being in an urban environment and small community also provides us with some challenges that it's a good idea to have a qualified consultant to compete the survey.

Director Battani has received recommendations from another District Hospital and has been checking references for the firm. They are engaged by the Board of Directors and not through management. This project would begin in the December / January timeframe for the Board.

Director McCormick stated that he is happy that the Board will be engaging a consulting firm to assist in defining compensation for Hospital executives.

Director Deutsch concurred with the statements made and thought that this was a good way to proceed objectively through the process.

Public Comment: Mr. Gorelick spoke on the CEO Employment Agreement Renewal.

Director Bonta asked what the timeframe for the market survey was a six month process. Ms. Battani stated that it would take approximately 3 months which includes the work with each of the Board members.

Director Williams asked if there would be a costing evaluation in the proposal will this help the Board as a tool to evaluate performance in a certain economic times. Ms Battani said that she hope that it will be covered.

B. Finance and Management Committee Report

1. Committee Report – October 27, 2010

   Director Battani reported that the majority of the time was focused on review of the financial statements, which were approved by the Board on the consent Agenda. The Fugro Agreement and Ratcliff Agreement were also discussed at the meeting along with a detailed discussion of the seismic budget.

2. Administrative Pension Plan Oversight Committee Report

   Director McCormick reviewed the Pension Plan Oversight Committee Report. He reviewed the background for the 401(a) Retirement Plan Amendment that was approved on the consent calendar.

   Director McCormick asked how frequently the pension committee met. Director McCormick stated the committee meets on a quarterly basis unless otherwise needed. Director Deutsch asked asked if the performance of the fund managers met the benchmarks we have set for the plans. Ms. Stebbins stated that both Diversified Investment Advisors and Highmark have done very well in managing both the employee contribution and the hospital pension.

C. President's Report

Director Battani stated that the Board Members may be receiving a request from the organizers of In Alameda section on the SFGate website. The section is called "Officially Speaking" and highlights a public official in Alameda on a weekly basis. Requests to participate will be sent to all public officials in Alameda. The format is that questions can be submitted to the website and then the organizers pick approximately five questions to send to the public official to answer. Director Battani said that she is scheduled for the week of Thanksgiving. Director Bonta stated that he has been contacted but has not been scheduled.

D. Chief Executive Officer's Report

1. Ms. Stebbins stated that Alameda Hospital participated in a day long celebration that recognized Alameda at one of the 100 Best Communities for Children by providing information on healthy eating. She also stated she wants the Hospital to work with the school district in developing programs that promote healthy eating through a variety of programs.

   Ms. Stebbins stated that management has been meeting with various business associations and informed the Board that has been a movement to merge the associations into one organization. In addition, Dennis Eloe, Executive Director of the Alameda Hospital Foundation has been nominated to be President of the

Chamber of Commerce in 2011.

As mention in the paper recently regarding stroke protocol, Ms. Stebbins updated the Board regarding what the hospital is doing to care for stroke patients. The Hospital is working closely with Eden Medical Center to adopt their Stroke policies and procedures. She stated that the Hospital will be meeting in the near future to discuss county EMS protocols and the policies and procedures that the Hospital has put in place to care for such patients.

The Hospital had a very successful Health Fair on October 27. The Hospital initiated a limited Code Triage (disaster) in response to the BART sentencing, while there was little activity, the hospital was prepared to receive patients in the event that the situation escalated.

On November 18, there will be a county wide disaster drill that the hospital will be participating in.

Ms. Stebbbins stated that she has met with La Clinica de la Raza in response to the recent addition of the Medi-Cal contract to further develop relationships with patients and physicians to come to the Hospital for inpatient and outpatient services.

The Clinical Laboratory recently had its annual Joint Commission Survey. There were several areas identified for improvement but she stated that she expects full accreditation of the lab.

2. Ms. Stebbins reported on the monthly statistics for the month of October

	October Prelim	**October Budget**	**% Δ compared to Budget**	**% Δ compared to September**	**September Actual**
Average Daily Census	79.5	87.0	-8.6%	-2.5%	81.5
Acute	24.5	30.5	-19.7%	-9.8%	27.2
Subacute	32.6	33.5	-2.7%	0.7%	32.4
South Shore	22.4	23	-2.6%	1.8%	22.0
Patient Days	2,465	2,69	-8.6%	0.8%	2,446
ER Visits	1,306	1,519	-14.0%	-9.6%	1,445
OP Registrations	2,032	2,362	-14.0%	3.5%	1,964
Total Surgeries*	215	197	9.1%	28.0%	168
Inpatient Surgeries	38	54	-29.6%	-17.4%	46
Outpatient Surgeries	177	143	23.8%	45.1%	122

E. Community Relations and Outreach Report

	Director Bonta reported that there was no meeting in the interim between Board meetings. He stated that Debi covered the recent activities of the hospital's ongoing outreach efforts. He added that he attended health fair on the 27th along with many of the other Board members and said that it was a great event. Director Williams echoed Director Bonta's comments. She stated that she visited each of the vendors/organizations to thank each of them for coming. She stated that it shows great testament, despite the rain, that people value the role of the hospital. Director McCormick asked if the Board remembered the presentation from the Alameda Fire Department (AFD) for Senior Safety Program at the Community Relations Committee. He stated that they are now in need of help due to the positive response to the program. F. Medical Staff Report No report at this time. G. Facilities Report 1. Wound Care Center Update Mr. Easthope stated that he continues to work with the owners of the building at 815 Atlantic Avenue that would house the Wound Care Program to finalize the lease terms. He also stated that he has been working on a parallel track with architects and construction management firm to develop plans to submit to the City for review once the lease terms have been finalized. 2. Seismic Update Mr. Easthope commented on recent article in the SF Chronicle about hospital seismic safety and Ms. Battani asked him to comment on where the hospital was at in the hierarchy of what was published in the paper. The Hospital has submitted plans to OSHPD. Once reviewed, the Hospital will respond to back check comments as required.	
VIII. General Public Comments	Elliott Gorelick commented on recent accusations by Director Williams in regards to alleged misrepresentation by himself on the ballot. He also stated for the public record that he did not misrepresent himself during the election. He also commented on some of the areas he plans to focus on as a Board member.	
IX. Board Comments	Director Battani reminded the Board that installation of the new Board members will take place at the next board meeting and that this would be the last meeting for both	

Director Bonta and Director Williams. On a personal and professional level, she wanted to thank them for their contributions, participation and collaboration on the board. She stated that it has been a pleasure to work with them.

Director Deutsch stated that it has been a pleasure to work with both of them and that their insights, ideas, and suggestions have made the hospital a better place and thanked them.

Director McCormick stated that it has been great to have such energetic young people to serve on the Board with wonderful ways of working with people and that also have a high level of intelligence and integrity which coupled together make great board members.

Director Williams thanked everyone for the great compliments. She stated that she wanted to let the Board know that she has filed a complaint with the District Attorney's Office regarding the election. She commented that she thinks that the Board does a great job of adhering to the many regulations at the Board level and hopes that the Board continues to stay that way. She also stated that she respects the adherence to the overwhelming regulations that the all members of our health care profession have to adhere to. She stated for the record that she thinks it is a travesty of the electoral process that the citizens of Alameda and being a licensed member of the legal profession, that a person would hold out to everyone that they were a licensed member of the pharmacy profession. She is standing up for what she believes in and stated that she thinks that it means a great deal when we swear to our oath of candidacy. She stated that she has learned a great deal about the hospital and the community from being on the Board.

Director Bonta thanked everyone for their very kind and warm comments. He stated that he has enjoyed his time working on the board and it has been a pleasure to work with each board member in collaboration and partnership. He is proud of where the board has come over the last 3 years. He stated that while the hospital will always face challenges but believes that the hospital is well poised to be successful in the future.

Director Deutsch commented that he has been associated with the hospital for 30 years and during that time he has been impressed with the board, volunteers, all employees and medical staff who all have had the same goal, compassion and collegiality of working together and making the hospital the best it can be. He addressed Mr. Gorelick, stating that despite philosophical differences that he hopes that Mr. Gorelick's role on the Board would be to try to make the hospital as good as it can be, and that if that did not happen that it would break with tradition over the past 30 years to try and provide the best care we can to the community.

X. Adjournment		A motion was made to adjourn the meeting and being no further business, the meeting was adjourned at 9:34 p.m.

Attest:

Jordan Battani President	J. Michael McCormick Treasurer

THE CITY OF ALAMEDA HEALTH CARE DISTRICT

ALAMEDA HOSPITAL

UNAUDITED FINANCIAL STATEMENTS

FOR THE PERIOD ENDING OCTOBER 31, 2010

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

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ALAMEDA HOSPITAL
MANAGEMENT DISCUSSION AND ANALYSIS
OCTOBER, 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 October 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 October 31, 2010

- Gross patient revenue for the month of October was less than budget by $2,939,000 or 13.4%. Inpatient and outpatient revenue was less than budgeted by 18.5% and 3.0% for the month, respectively. As a result of the lower than budgeted patient days and lower overall case mix index, on an adjusted patient day basis gross patient revenue was 10.8% less than budgeted at $4,874 compared to a budgeted amount of $5,466 for October. Both inpatient and outpatient gross revenues per adjusted patient day were below budget by $590 and $3, respectively.

- Total patient days for the month were 2,465 compared to the prior month's total patient days of 2,446 and the prior year's 2,692 total patient days. The average daily acute care census was 25.6 compared to a budget of 27.9 and an actual average daily census of 27.2 in the prior month; the average daily Sub-Acute census was 32.6 versus a budget of 33.5 and 33.9 in the prior month and the Skilled Nursing program had an average daily census of 22.49 versus a budget of 23.0 and prior month census of 22.0, respectively.

- Emergency Care Center (ECC) visits were 1,306 or 14.0% less than the budgeted 1,519 visits and were 16.3% less than the prior year's visits of 1,560.

- Total surgery cases were greater than budgeted expectations for the month at 215 cases versus the budgeted 197 cases. The current month's surgical volume was 35.2% greater than the same month prior year's 165 cases.

- Outpatient registrations were 14.0% below budgeted targets at 2,032 but increase from the prior months 1,964 outpatient visits.

- Combined excess expense over revenues (loss) for October was $55,000 versus a budgeted excess of revenue over expenses (profit) of $105,000. This brings our year-to-date loss to $317,000 versus a budget profit of $271,000.

  - Total assets decreased by $1,301,000 from the prior month as a result of a decrease in current assets of $1,326,000, an increase in net fixed assets of $14,000 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 October decreased by $1,671,000. This decrease in cash resulted from having three paid payrolls during the month which have averaged $1.5 million per pay period during fiscal year 2011. As a result day's cash on hand decreased to 0.4 at October 31, 2010 from 9.7 days at September 30, 2010.

  - Net patient accounts receivable increased in October by $298,000 compared to decrease of $692,000 in September. Day's in outstanding receivables increased to 65.2 in October from 62.1 at September 30, 2010. This increase in days outstanding was primarily the result of a delay at month end in the receipt of a promised payment from Alameda Alliance for over $2 million in outstanding gross receivables that was not

received until after month end. Had these claims been adjudicated prior to month end days outstanding would have remained at 62.1 and days cash on hand would have been 1.6. Collections in October totaled $4.5 million compared to $5.3 million in September. Had the above referenced claims been adjudicated prior to the end of the month, October collections would have been $4.7 million.

- Total liabilities decreased by $1,206,000 compared to a decrease of $317,000 in the prior month. This decrease in the current month was the result of the following:

  - Accounts payable and accrued expenses increased by $312,000 while payroll and accrued expenses decreased by $916,000. As a result of this net decrease of $604,000 and decrease in average daily expenses as of October 31st, the average payment period decreased in October to 64.1 from 67.1 as of September 30, 2010.

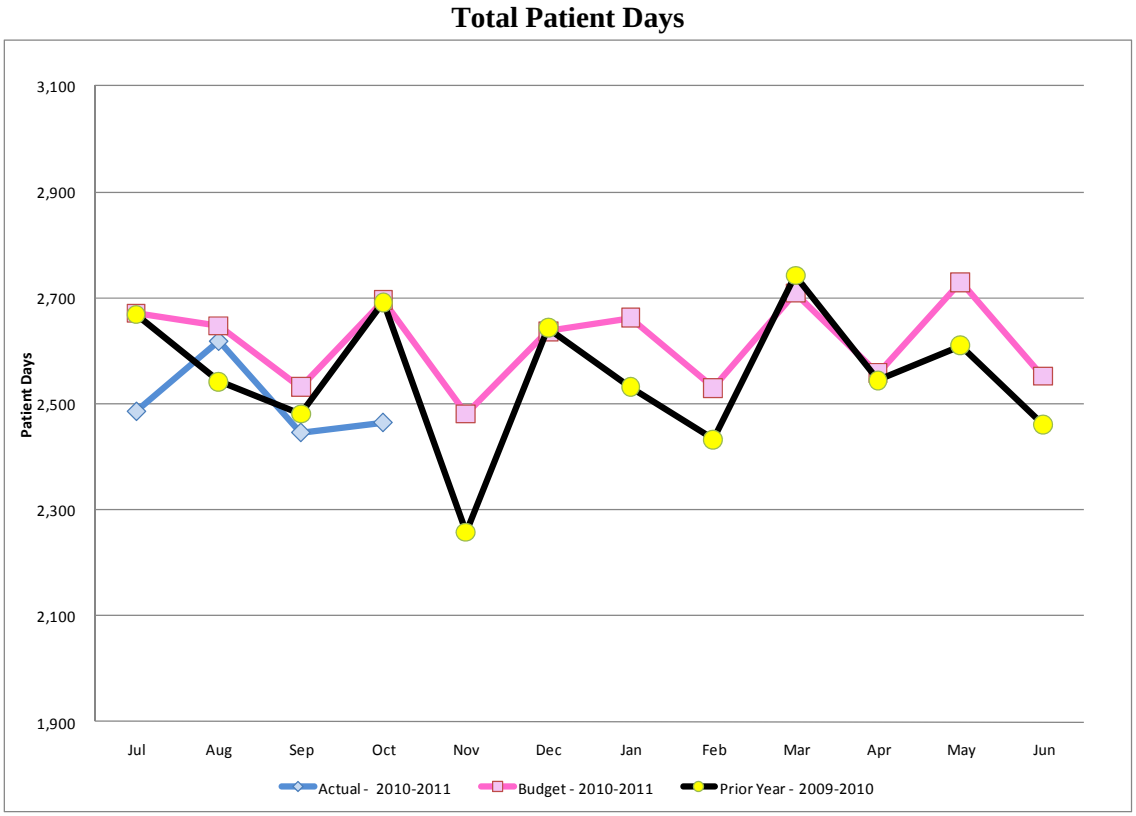
  - Payroll and benefit related accruals decreased by $916,000 from the prior month. This decrease was primarily the result of a decrease in accrued payroll and related payroll tax accruals of $977,000 offset by an increase in accrued time off of $60,000.

  - Deferred revenues decreased by $478,000 as a result of the amortization of one-twelfth of the annual parcel tax revenues for the 2011 fiscal year.

Volumes

The combined actual daily census was 79.5 versus a budget of 87.0. The current month's unfavorable variance from the budgeted census was the result of lower than budgeted census in all three inpatient programs with the largest unfavorable variance occurring in the acute care units. The acute care program was below budget by 20.0% with an average daily census of 24.6 versus the budgeted 30.5. The Sub-Acute program was below budgeted expectations with an average daily census of 32.6 versus the budgeted 33.5. In the Skilled Nursing unit the average daily census was 22.4 versus the budgeted average daily census of 23.0. This resulted in an overall unfavorable variance of 8.9% from budgeted expectations for inpatient utilization in the month of October.

The graph below shows the total patient days by month for fiscal year 2011.

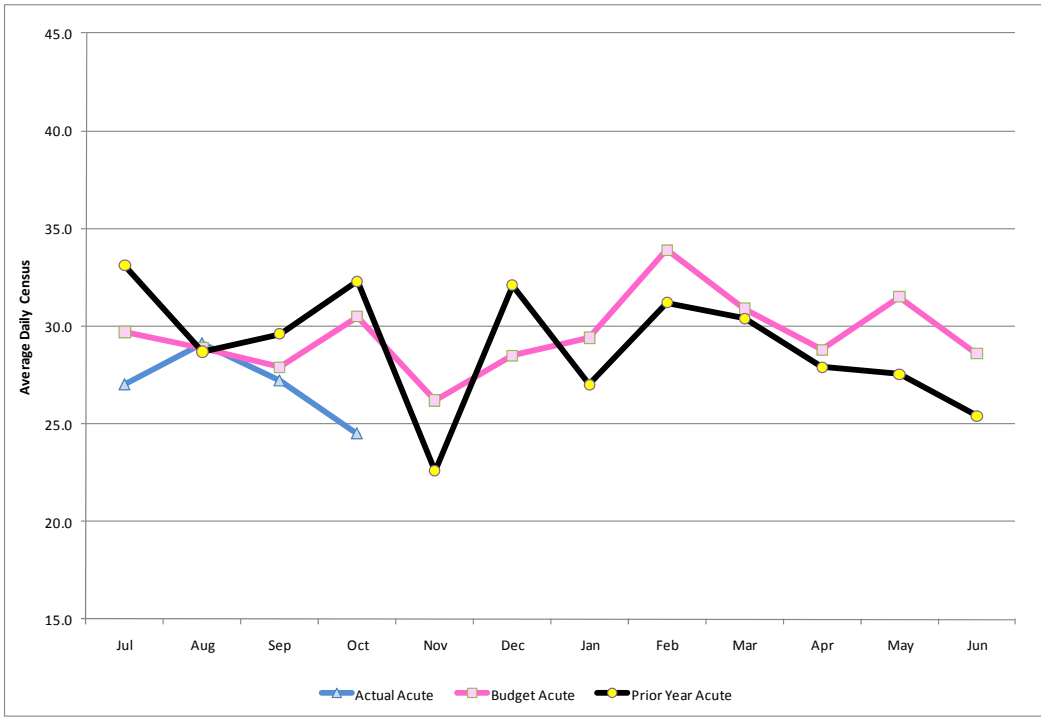


The various inpatient components of our inpatient volumes for the month of October are discussed in the following sections.

Acute Care

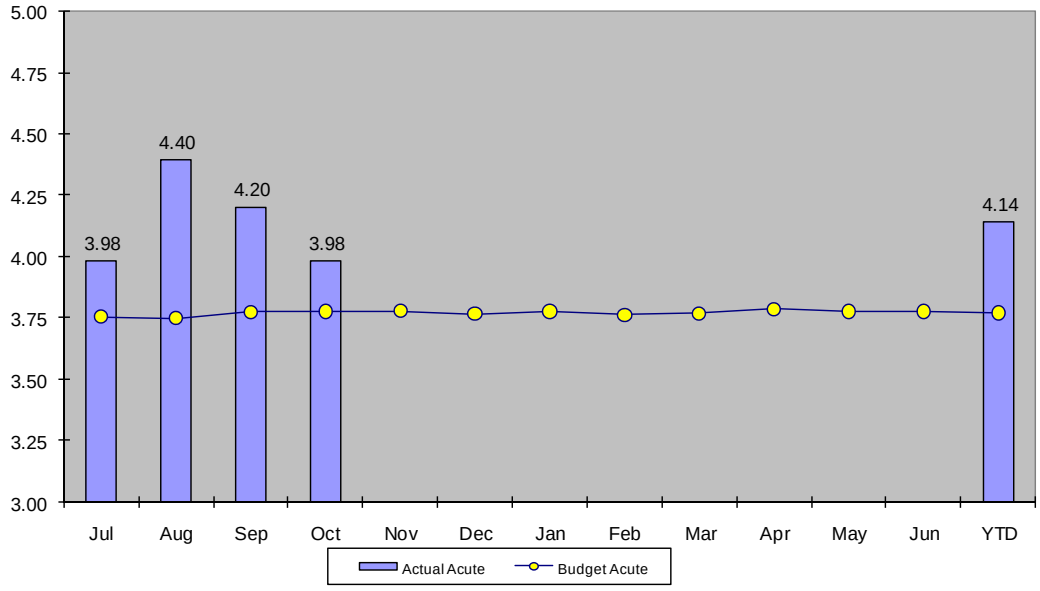
The acute care patient days were 19.4% (183 days) less than budgeted and were 24.0% less than the prior year's average daily census of 32.3. The acute care program was comprised of Critical Care Unit (4.2 ADC, 20.6% favorable to budget), Definitive Observation Unit (8.5 ADC, 24.7% unfavorable to budget) and Med/Surg Units (11.8 ADC, 24.5% unfavorable to budget). The graph on the following page shows the inpatient acute care census by month for the current fiscal year.

Inpatient Acute Care Average Daily Census



The average length of stay (ALOS) decreased from that of the prior month to 3.98 days for the month of October bringing the year-to-date average to 4.14 versus the budgeted FY 2011 average of 3.76. The graph below shows the month ALOS by month and the budgeted ALOS for fiscal year 2011.

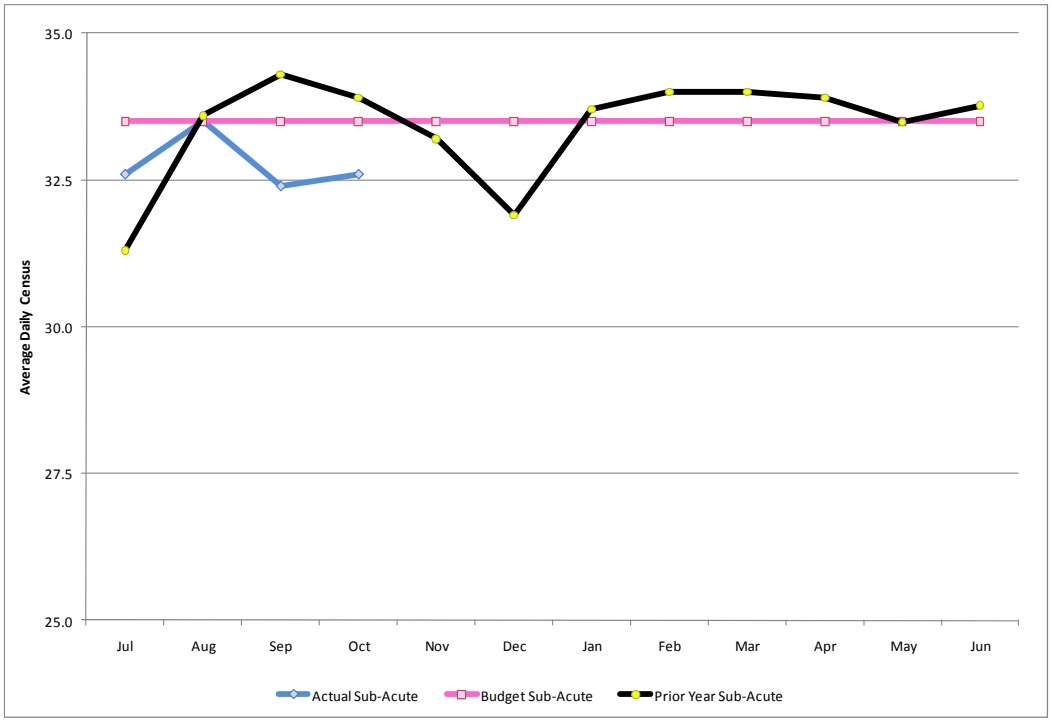
Average Length of Stay



Sub-Acute Care

The Sub-Acute program patient days were below budgeted projections with an average daily census of 32.6 for the month of October which was budgeted for and average daily census of 33.5. The graph on the following page shows the Sub-Acute programs average daily census for the current fiscal year as compared to budget and the prior year.

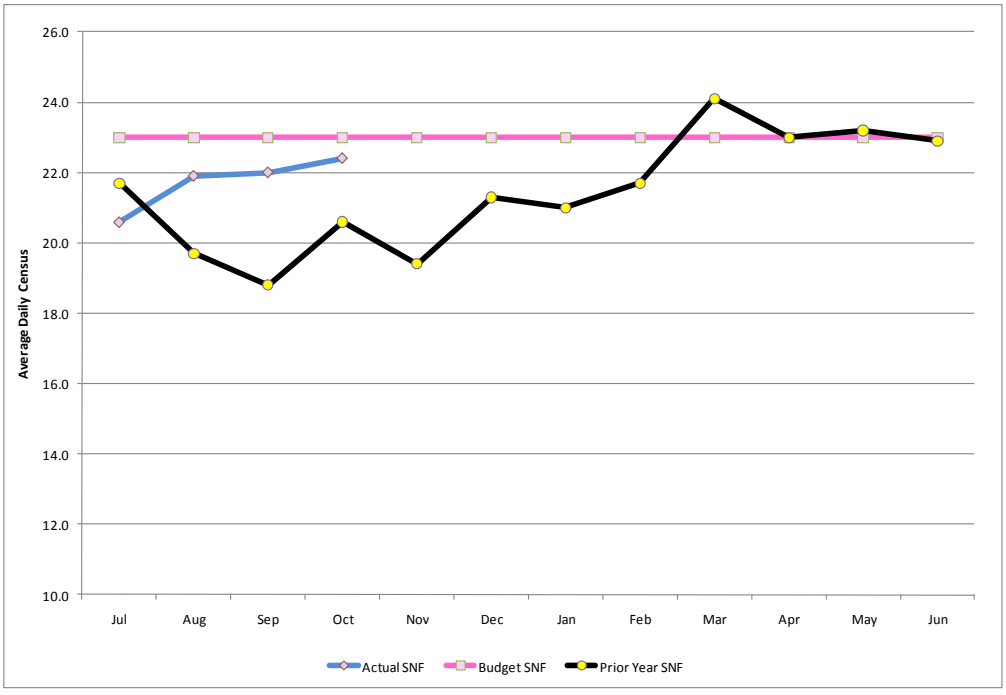
Sub-Acute Care Average Daily Census



Skilled Nursing Care

The Skilled Nursing Unit (South Shore) patient days were 2.7% or 19 patient days less than budgeted for the month of October. Comparing performance to the prior year this program remains slightly greater than the first four months of fiscal year 2010 with an average daily census of 21.7 versus 20.2. The following graph shows the Skilled Nursing Unit average daily census as compared to budget and the prior year by month.

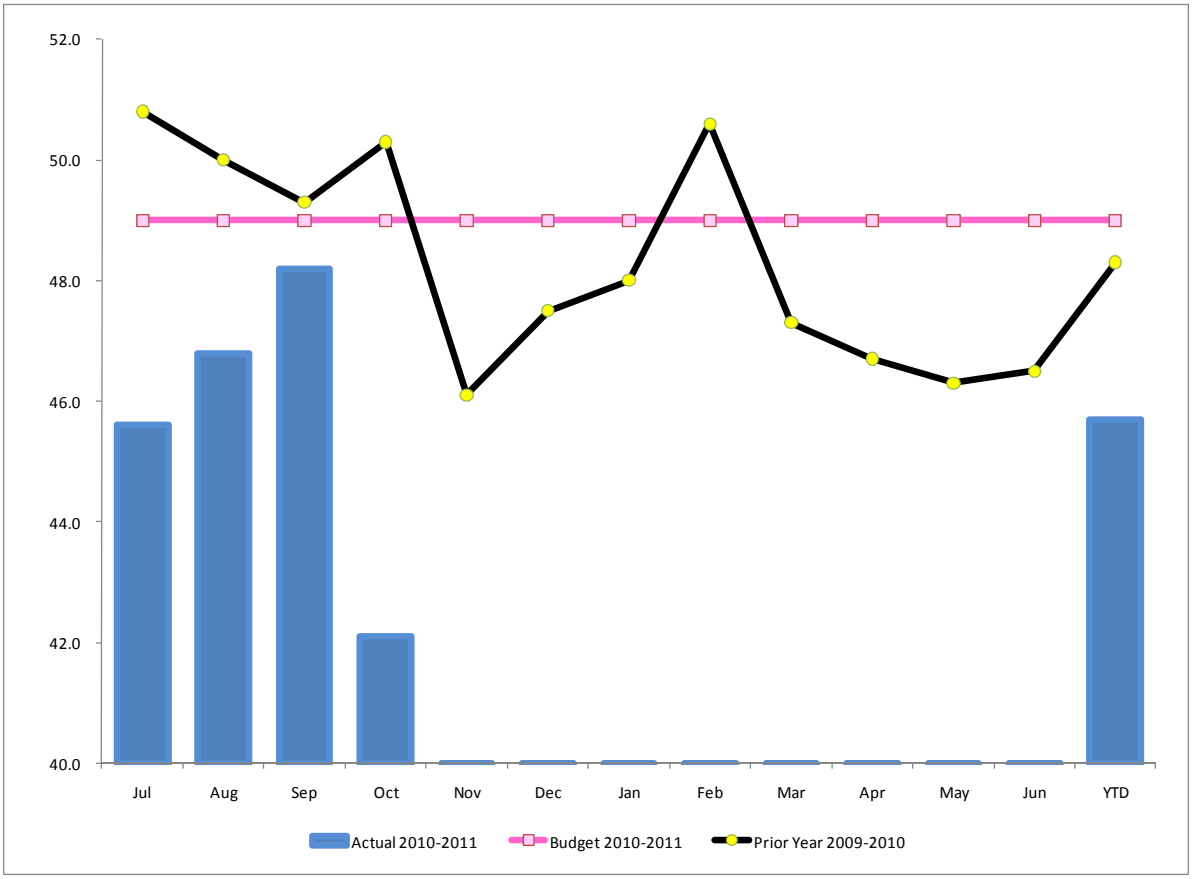
Skilled Nursing Unit Average Daily Census



Emergency Care Center (ECC)

Emergency Care Center visits in October totaled 1,306 and were 14.0% less than budgeted for the month and 15.9% of these visits resulted in inpatient admissions versus 14.1% in September. In October there were 253 ambulance arrivals versus 284 in the prior month, a decrease of 1.1%. Of the 253 ambulance arrivals in the current month 131 or 51.8% were from Alameda Fire Department (AFD) ambulances. The graph below shows the Emergency Care Centers average visits per day for fiscal year 2011 as compared to budget and the prior year performance.

Emergency Care Center Visits per Day

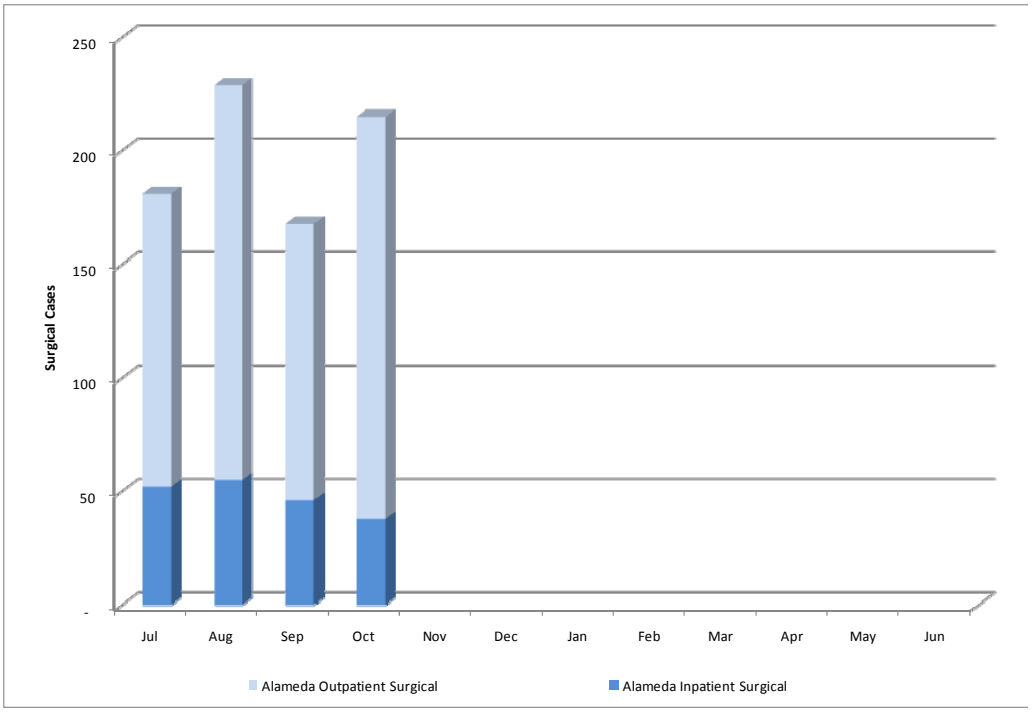


Surgery

Surgery cases were 215 versus the 197 budgeted and 159 in the prior year. In October, surgery cases increased over the prior month by 28.0%. The increase of 47 cases over the prior month was the result of an increase 55 outpatient cases offset by a decrease of 8 inpatient cases. Inpatient and outpatient cases totaled 38 and 177 versus 46 and 122 in September, respectively. The increase from the prior month was driven by increases in outpatient GI cases (27), Ophthalmology cases (12), General (8) and Gynecology (7). On the inpatient side the decrease was primarily in the Orthopedic (6) and Vascular (4) cases offset by an increase in General Surgical (5) cases.

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

Surgical Cases

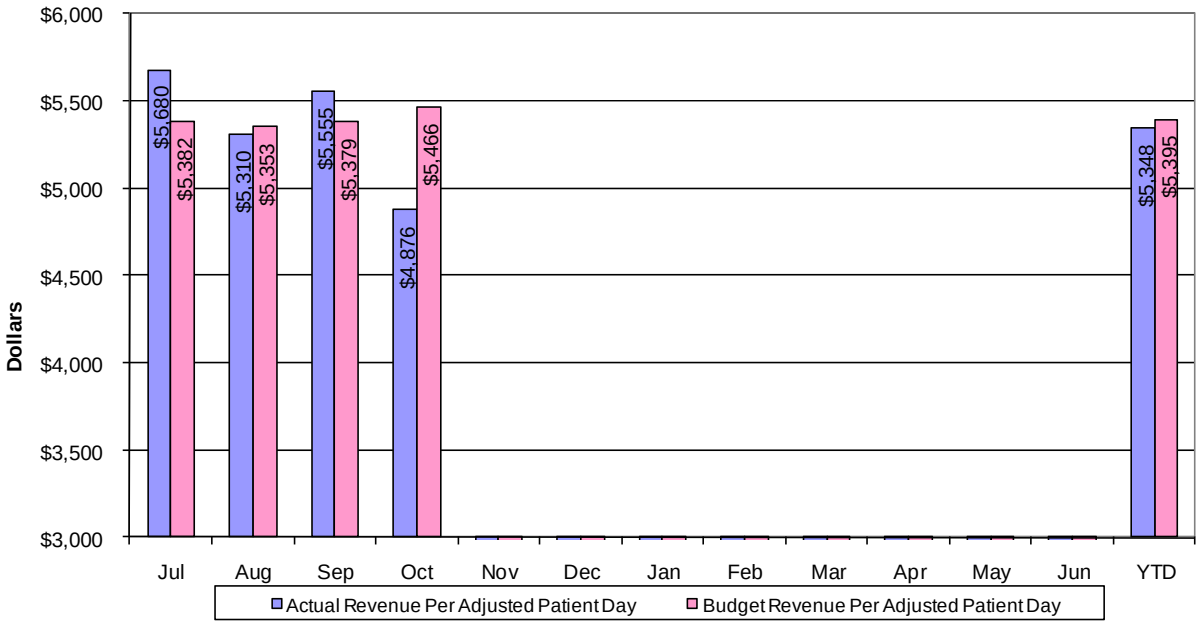


Income Statement

Gross Patient Charges

Gross patient charges in October were less than budgeted by $2,939,000. This unfavorable variance was comprised of an unfavorable variance of $2,723,000 and a $216,000 in inpatient and outpatient revenues, respectively. On an adjusted patient day basis total patient revenue was $4,874 versus the budgeted $5,466 or an unfavorable variance of 10.8% from budget for the month of October. The following table shows the hospitals monthly gross revenue per adjusted patient day by month the year-to-date for fiscal year 2011

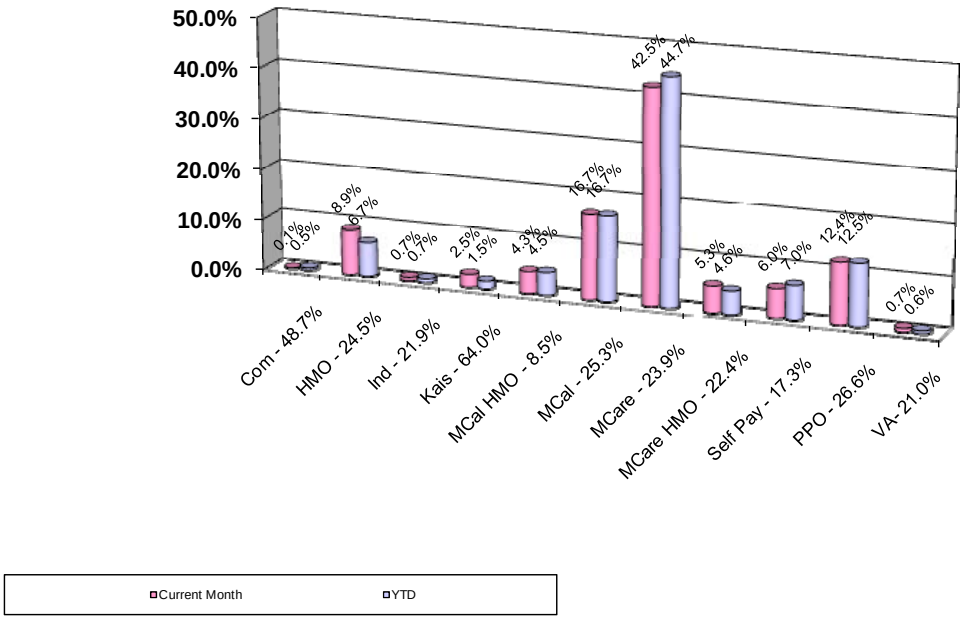
Gross Charges per Adjusted Patient Day



Payor Mix

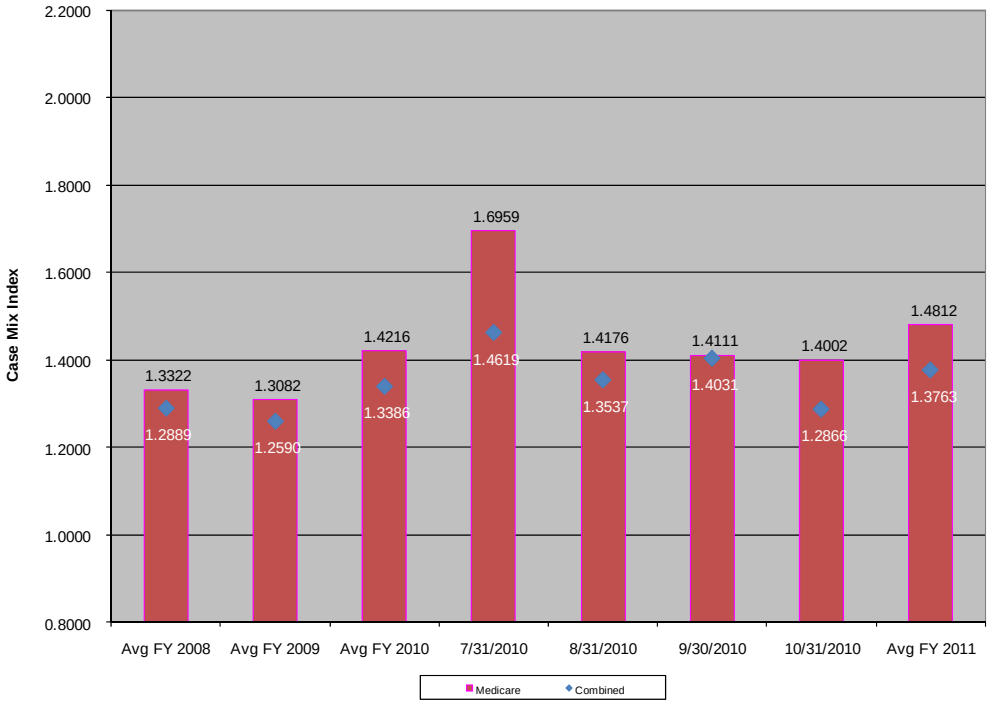
Combined inpatient and outpatient acute care Medicare and Medicare Advantage total gross revenue in October made up 47.8% of the months total gross patient revenue. Combined Medicare revenue was followed by HMO/PPO utilization at 21.3%, Medi-Cal Traditional and Medi-Cal HMO utilization at 21.0% and self pay at 6.0%. The graph below shows the percentage of gross revenues generated by each of the major payors for the current month and fiscal year to date as well as the current months estimated reimbursement for each payor for the combined inpatient and outpatient acute care services.

Combined Acute Care Services Payor Mix



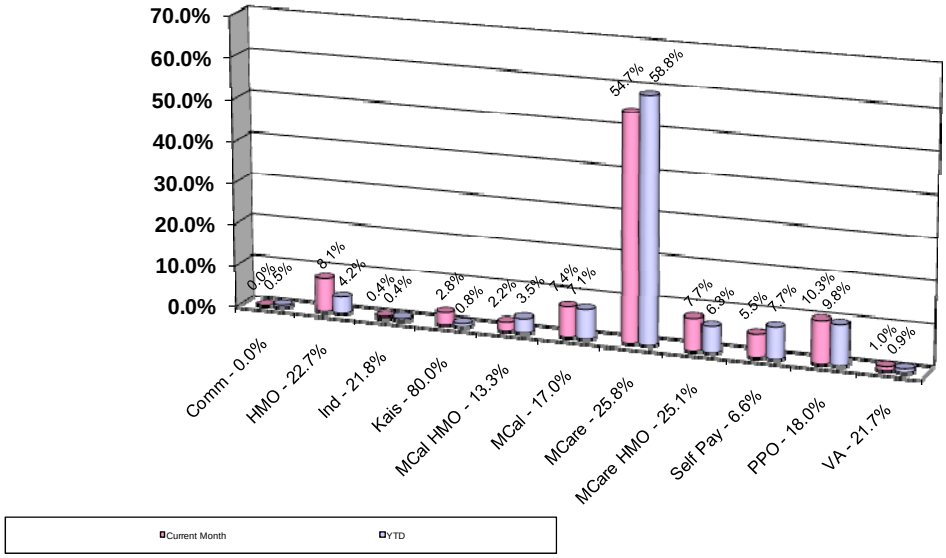
The inpatient acute care current month gross Medicare and Medicare Advantage charges made up 62.4% of our total inpatient acute care gross revenues followed by HMO/PPO at 18.4%, Medic-Cal and Medi-Cal HMO at 9.6% and Self Pay at 5.5% of the inpatient acute care revenue. The hospitals overall Case Mix Index (CMI) declined to 1.2866 from 1.4031 in the prior month while the Medicare CMI decreased only slightly over the prior month from 1.4111 in September to 1.4002 in October. In October there was one (1) outlier case in the month. The overall Medicare reimbursement increased to 25.8% in October versus 25.2% in September. The graph on the following page shows the CMI for the hospital during the current fiscal year as compared to the prior three fiscal years.

Case Mix Index Comparison



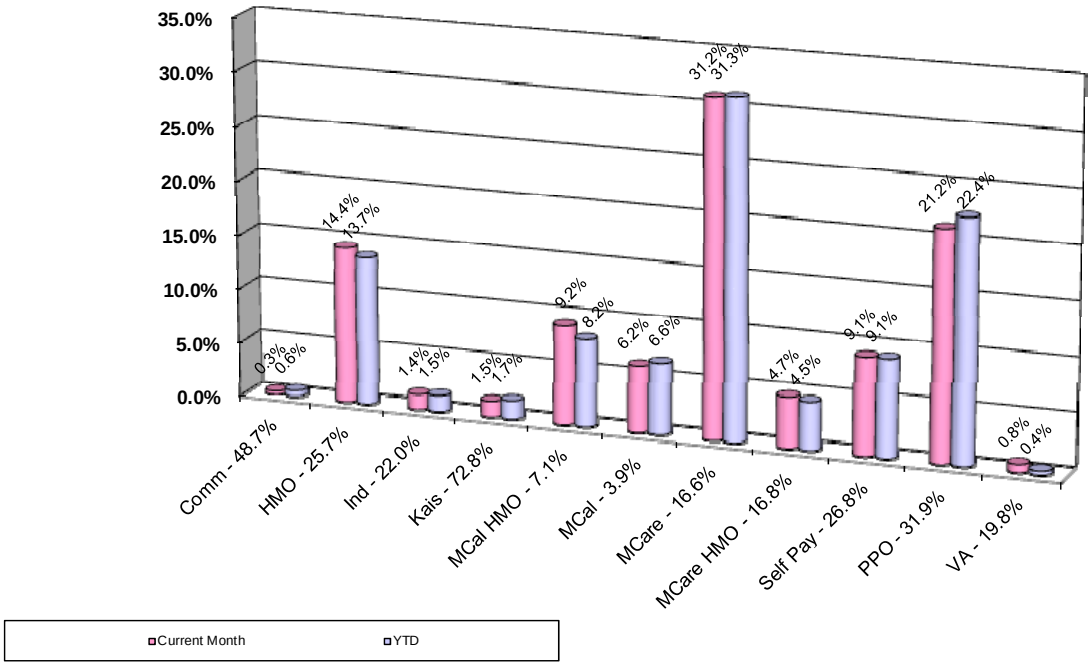
The overall net inpatient revenue percentage decreased from the prior month to 20.1% in September versus 21.6% in September. The graph below shows inpatient acute care current month and year to date payor mix and current month estimated net revenue percentages for fiscal year 2011.

Inpatient Acute Care Payor Mix



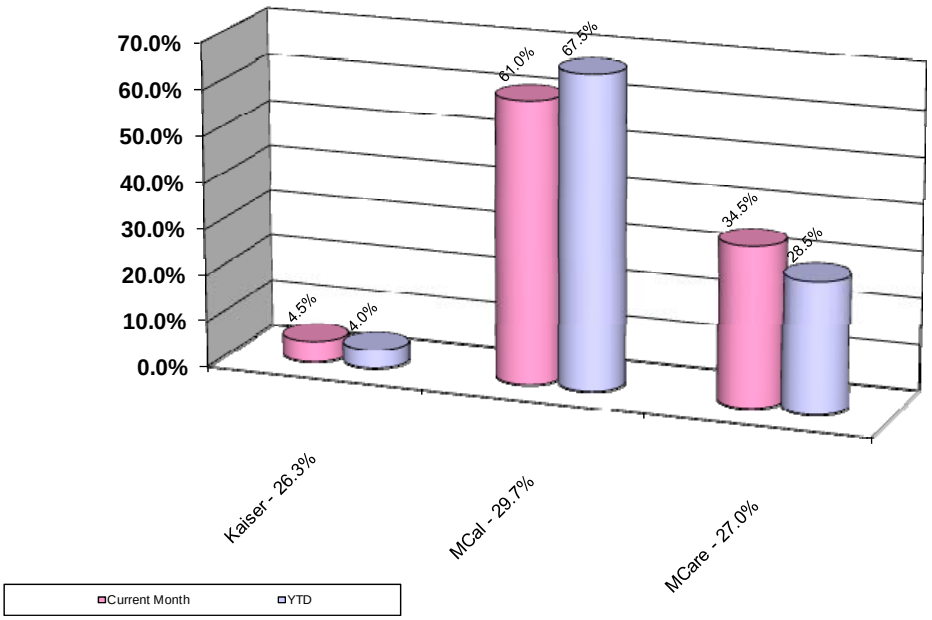
The outpatient gross revenue payor mix for October was comprised of 35.9% Medicare and Medicare Advantage, 35.6% HMO/PPO, 15.4% Medi-Cal and Medi-Cal HMO, and 9.1% self pay. The graph below shows the current month and fiscal year to date outpatient payor mix and the current months estimated level of reimbursement for each payor.

Outpatient Services Payor Mix



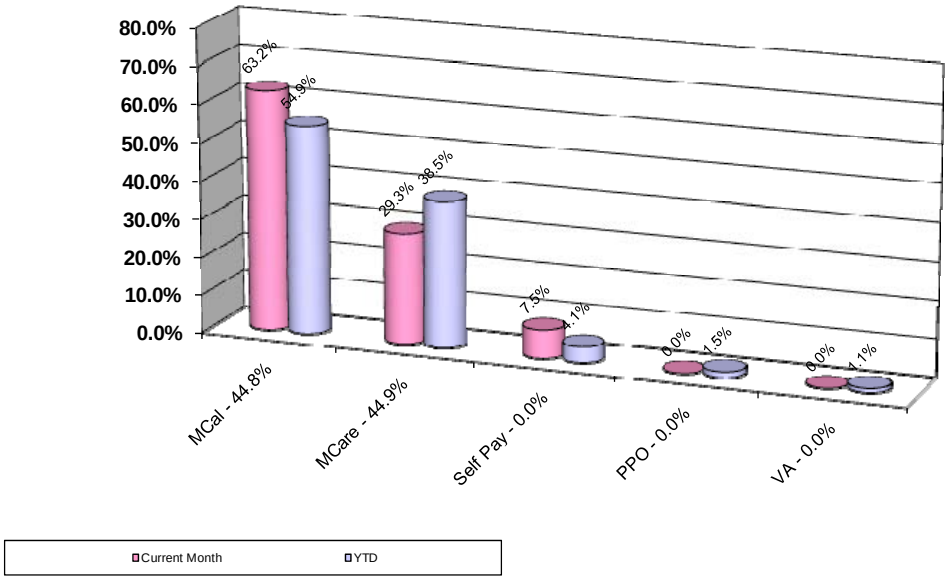
In October the Sub-Acute care program again was dominated by Medi-Cal utilization of 61.0% versus 62.2% in September. The graph below shows the payor mix for the current month and fiscal year to date and the current months estimated reimbursement rate for each payor.

Inpatient Sub-Acute Care Payor Mix



In October the Skilled Nursing program was again comprised primarily of Medi-Cal at 63.2% and Medicare at 29.3%. 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

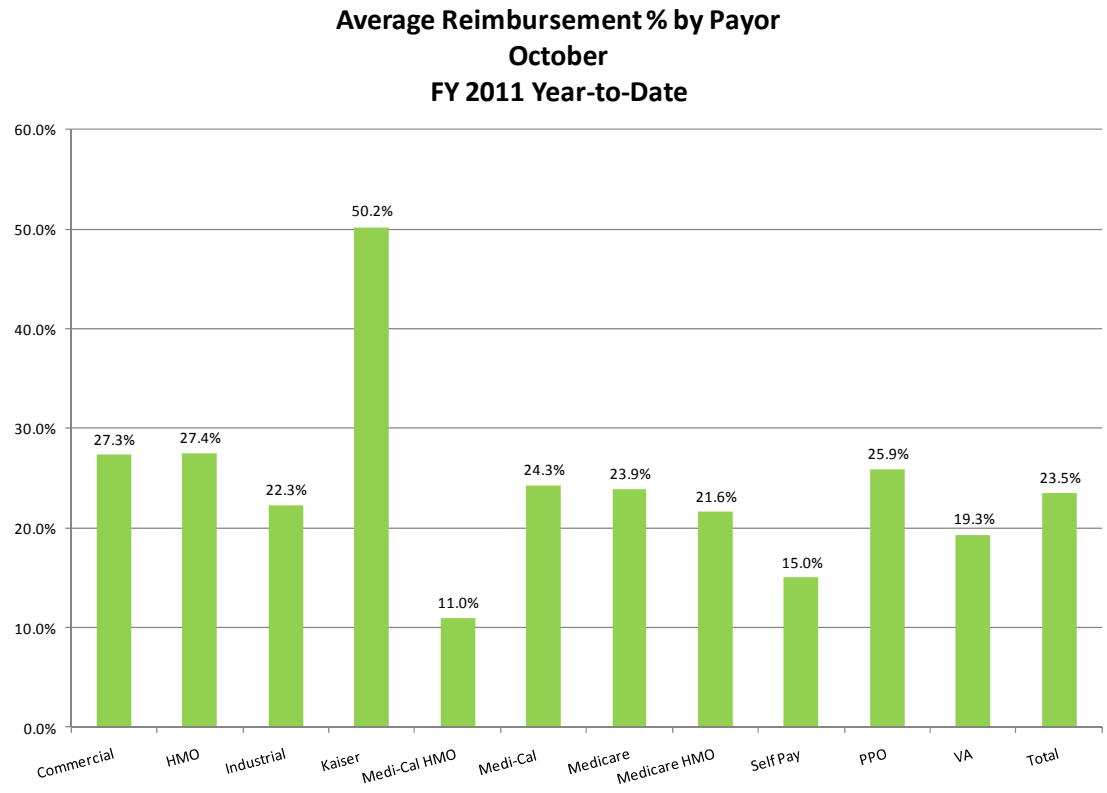


Deductions from Revenue

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 73.8% versus the budgeted 76.1%.

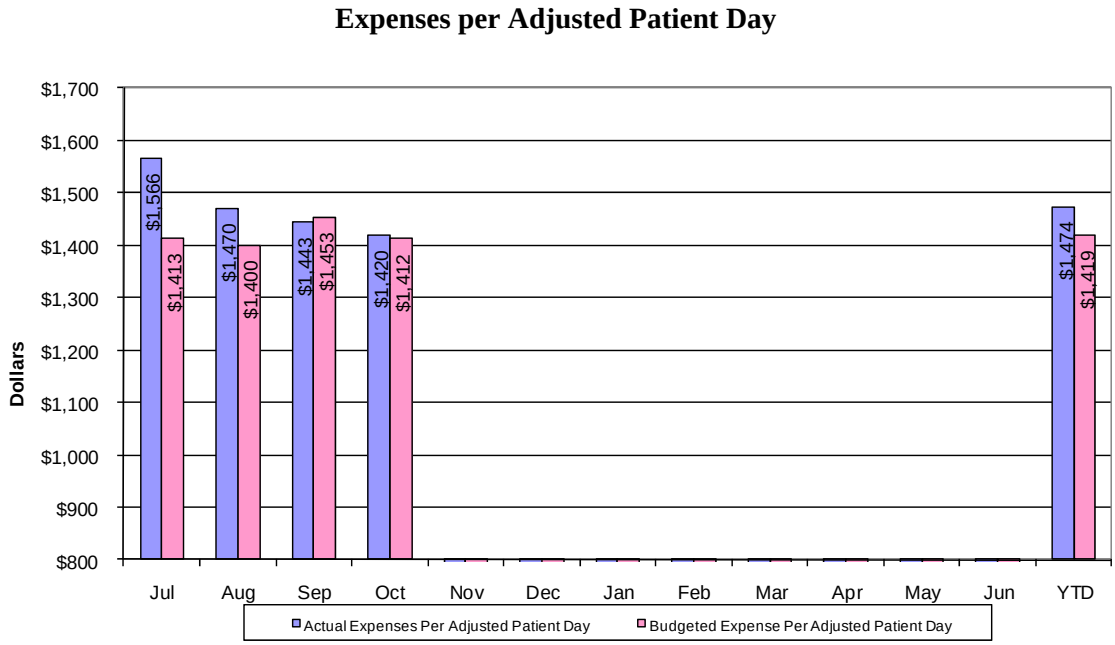
Net Patient Service Revenue

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 2011 by major payor category.



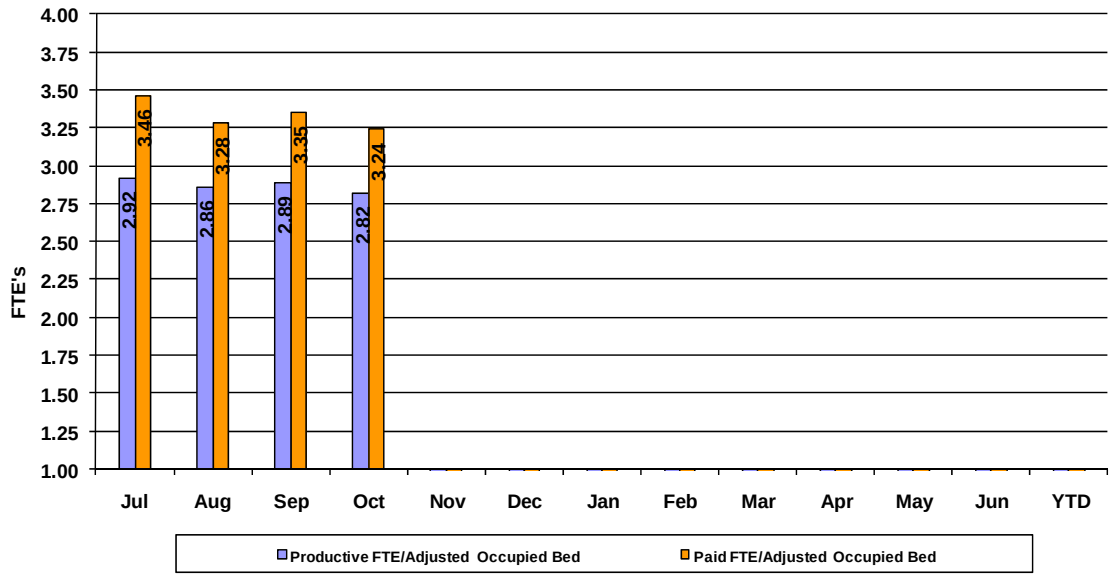
Total Operating Expenses

Total operating expenses were less than the fixed budget by $132,000 or 2.3%. On an adjusted patient day basis, our cost per adjusted patient day was $1,420 which was $8 per adjusted patient day unfavorable to budget. This variance in expenses per adjusted patient day was primarily the result of an unfavorable variance in salaries and registry costs of $11. The graph below shows the hospital operating expenses on an adjusted patient day basis for the 2011 fiscal year by month and is followed by explanations of the significant areas of variance that were experienced in the current month.



Salary and Registry Expenses
Salary and registry costs combined were favorable to the fixed budget by $43,000 but were unfavorable to budgeted levels on a per adjusted patient day basis by $11. On an adjusted occupied bed basis, productive FTE's were favorable to budget by 0.5% at 2.83 FTE's versus the budgeted 2.84 FTE's. The graph below shows the productive and paid FTE's per adjusted occupied bed for FY 2011 by month and year to date.

FTE's per Adjusted Occupied Bed



Benefits
Benefits were favorable to the fixed budget by $24,000 or 2.8%. On an adjusted patient day basis benefits were equal to budget at $218 per adjusted patient day. This favorable variance from the fixed budget was the result of further reductions to the IBNR requirements which are the result of lower than anticipated health insurance claims costs.

Supplies
Supply costs were $18,000 favorable to the fixed budget in October but were slightly unfavorable to budget on an adjusted patient day basis. The favorable variance from the fixed budget was from a favorable variance of $27,000 in non-medical supplies offset by a net unfavorable variance of $9,000 in medical supplies. The primary cause for the unfavorable variance in medical supplies was related to the continued levels of pharmaceutical costs that are being incurred related to the IVT program.

Purchased Services
Purchased services were $26,000 favorable to the fixed budget and $4 per adjusted patient day favorable to budget as a result of lower than budgeted costs incurred for medical purchased services and repairs and maintenance $18,000and $8,000, respectively.

The following pages include the detailed financial statements for the four months ended October 31, 2010, of fiscal year 2011.

ALAMEDA HOSPITAL
KEY STATISTICS
OCTOBER 2010

	ACTUAL OCTOBER 2010	CURRENT FIXED BUDGET	VARIANCE (UNDER) OVER	%	OCTOBER 2009	YTD OCTOBER 2010	YTD FIXED BUDGET	VARIANCE	%	YTD OCTOBER 2009
Discharges:										
Total Acute	191	250	(59)	-23.6%	285	800	956	(156)	-16.3%	1,007
Total Sub-Acute	1	2	(1)	-50.0%	1	6	6	-	0.0%	6
Total Skilled Nursing	7	12	(5)	-41.7%	14	35	51	(16)	-31.4%	52
	199	264	(65)	-24.6%	300	841	1,013	(172)	-17.0%	1,065
Patient Days:										
Total Acute	761	944	(183)	-19.4%	1,001	3,313	3,598	(285)	-7.9%	3,803
Total Sub-Acute	1,010	1,039	(29)	-2.8%	1,052	4,031	4,119	(88)	-2.1%	4,093
Total Skilled Nursing	694	713	(19)	-2.7%	639	2,672	2,829	(157)	-5.5%	2,488
	2,465	2,696	(231)	-8.6%	2,692	10,016	10,546	(530)	-5.0%	10,384
Average Length of Stay										
Total Acute	3.98	3.78	0.21	5.5%	3.51	4.14	3.76	0.38	10.0%	3.78
Average Daily Census										
Total Acute	24.55	30.45	(6.10)	-20.0%	32.29	26.93	29.25	(2.32)	-7.9%	30.92
Total Sub-Acute	32.58	33.52	(0.97)	-2.9%	33.94	32.77	33.49	(0.72)	-2.1%	33.28
Total Skilled Nursing	22.39	23.00	(0.63)	-2.8%	20.61	21.72	23.00	(1.28)	-5.5%	20.23
	79.52	86.97	(7.70)	-8.9%	86.84	81.43	85.74	(3.03)	-3.5%	84.42
Emergency Room Visits	1,306	1,519	(213)	-14.0%	1,560	5,616	6,030	(414)	-6.9%	6,163
Outpatient Registrations	2,032	2,362	(330)	-14.0%	2,651	7,970	9,009	(1,039)	-11.5%	10,342
Surgery Cases:										
Inpatient	38	54	(16)	-29.6%	59	191	210	(19)	-9.0%	249
Outpatient	177	143	34	23.8%	465	602	575	27	4.7%	1,796
	215	197	18	9.1%	524	793	785	8	1.0%	2,045
Kaiser Inpatient Cases	-	-	-	-	5	-	-	-	-	39
Kaiser Eye Cases	-	-	-	-	172	-	-	-	-	665
Kaiser Outpatient Cases	-	-	-	-	188	-	-	-	-	700
Total Kaiser Cases	-	-	-	-	365	-	-	-	-	1,404
% Kaiser Cases	0.0%	0.0%			69.7%	0.0%	0.0%			68.7%
Adjusted Occupied Bed	125.46	129.72	4.26	3.3%	150.96	123.72	129.26	(5.54)	-4.3%	148.60
Productive FTE	355.04	368.95	13.91	3.8%	415.55	358.02	363.62	5.60	1.5%	399.98
Total FTE	407.15	418.89	11.74	2.8%	458.98	414.94	417.68	2.74	0.7%	451.43
Productive FTE/Adj. Occ. Bed	2.83	2.84	0.01	0.5%	2.75	2.89	2.81	(0.08)	-2.9%	2.69
Total FTE/ Adj. Occ. Bed	3.25	3.23	(0.02)	-0.5%	3.04	3.35	3.23	(0.12)	-3.8%	3.04

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City of Alameda Health Care District
Statements of Financial Position
October 31, 2010
$ in thousands

	Current Month	Prior Month	Prior Year End
Assets			
Current Assets:			
Cash and Cash Equivalents	$ 72,350	$ 1,742,907	$ 3,480,668
Patient Accounts Receivable, net	10,100,021	9,802,096	9,558,147
Other Receivables	6,876,657	6,851,838	6,654,035
Third-Party Payer Settlement Receivables	467,417	444,202	374,557
Inventories	1,149,394	1,153,441	1,149,706
Prepaids and Other	687,919	685,024	453,872
Total Current Assets	19,353,758	20,679,508	21,670,985
Assets Limited as to Use, net	518,605	507,717	476,630
Property, Plant and Equipment, net	7,176,793	7,162,621	6,993,735
Total Assets	**$ 27,049,156**	**$ 28,349,846**	**$ 29,141,350**
Liabilities and Net Assets			
Current Liabilities:			
Current Portion of Long Term Debt	$ 422,456	$ 409,761	$ 450,831
Accounts Payable and Accrued Expenses	6,782,865	6,471,170	6,112,296
Payroll Related Accruals	4,218,659	5,134,632	4,351,133
Deferred Revenue	3,823,823	4,301,670	5,736,951
Employee Health Related Accruals	565,180	591,933	645,750
Third-Party Payer Settlement Payable	290,000	400,000	500,000
Total Current Liabilities	16,102,983	17,309,166	17,796,961
Long Term Debt, net	1,113,763	1,164,499	1,236,831
Total Liabilities	17,216,746	18,473,665	19,033,792
Net Assets:			
Unrestricted	9,243,805	9,298,464	9,560,928
Temporarily Restricted	588,605	577,717	546,630
Total Net Assets	9,832,410	9,876,181	10,107,558
Total Liabilities and Net Assets	**$ 27,049,156**	**$ 28,349,846**	**$ 29,141,350**

City of Alameda Health Care District

Statements of Operations

October 31, 2010

$'s in thousands

	Current Month					Year-to-Date				
	Actual	Budget	$ Variance	% Variance	Prior Year	Actual	Budget	$ Variance	% Variance	Prior Year
Patient Days	2,465	2,696	(231)	-8.6%	2,692	10,016	10,546	(530)	-5.0%	10,384
Discharges	199	264	(65)	-24.6%	301	841	1,012	(171)	-16.9%	1,064
ADC (Average Daily Census)	79.5	87.0	(7.45)	-8.6%	86.8	81	85.7	(4.31)	-5.0%	84.4
CMI (Case Mix Index)	-				1.2684	1.4062				1.3234
Revenues										
Gross Inpatient Revenues	$ 12,014	$ 14,737	$ (2,723)	-18.5%	$ 14,796	$ 53,629	$ 56,899	$ (3,270)	-5.7%	$ 57,563
Gross Outpatient Revenues	7,000	7,217	(216)	-3.0%	10,926	27,958	28,766	(807)	-2.8%	43,762
Total Gross Revenues	19,014	21,953	(2,939)	-13.4%	25,722	81,587	85,665	(4,078)	-4.8%	101,325
Contractual Deductions	13,266	15,861	2,595	16.4%	19,178	58,411	61,710	3,299	5.3%	75,735
Bad Debts	649	674	24	3.6%	645	2,523	2,614	91	3.5%	2,101
Charity and Other Adjustments	113	168	56	33.0%	24	609	654	44	6.8%	318
Net Patient Revenues	4,986	5,250	(264)	-5.0%	5,875	20,044	20,687	(643)	-3.1%	23,171
Net Patient Revenue %	26.2%	23.9%			22.8%	24.6%	24.1%			22.9%
Net Clinic Revenue	9	28	(19)	-68.1%	35	120	112	9	8.0%	44
Other Operating Revenue	10	14	(4)	-31.0%	22	37	55	(18)	-32.5%	291
Total Revenues	**5,005**	**5,292**	**(287)**	-5.4%	**5,932**	**20,202**	**20,854**	**(652)**	-3.1%	**23,506**
Expenses										
Salaries	2,867	2,871	4	0.1%	3,317	11,810	11,356	(454)	-4.0%	12,891
Registry	143	182	39	21.4%	167	628	703	75	10.7%	739
Benefits	850	875	24	2.8%	926	2,985	3,529	543	15.4%	3,667
Professional Fees	306	313	8	2.5%	216	1,232	1,254	22	1.8%	1,229
Supplies	692	710	18	2.5%	947	3,113	2,807	(306)	-10.9%	3,659
Purchased Services	366	392	26	6.6%	422	1,455	1,554	99	6.4%	1,628
Rents and Leases	65	70	5	6.6%	75	258	277	19	6.9%	280
Utilities and Telephone	63	73	10	13.6%	81	231	290	58	20.1%	294
Insurance	33	36	3	8.5%	44	128	145	17	11.6%	180
Depreciation and amortization	81	74	(7)	-10.1%	101	328	293	(34)	-11.7%	403
Other Opertaing Expenses	75	77	3	3.3%	94	321	327	6	1.9%	366
Total Expenses	**5,540**	**5,672**	**132**	2.3%	**6,389**	**22,489**	**22,535**	**46**	0.2%	**25,336**
Operating gain (loss)	**(535)**	**(380)**	**(155)**	-40.8%	**(457)**	**(2,287)**	**(1,680)**	**(607)**	36.1%	**(1,829)**
Non-Operating Income / (Expense)										
Parcel Taxes	478	477	1	0.2%	477	1,912	1,908	3	0.2%	1,908
Investment Income	1	-	1	0.0%	1	6	-	6	0.0%	7
Interest Expense	(10)	(14)	4	28.2%	(8)	(32)	(46)	14	-31.2%	(35)
Other Income / (Expense)	12	22	(10)	-46.4%	24	84	89	(5)	-5.9%	92
Net Non-Operating Income / (Expense)	**481**	**485**	**(5)**	**-1.0%**	**493**	**1,970**	**1,951**	**19**	**1.0%**	**1,972**
Excess of Revenues Over Expenses	**$ (55)**	**$ 105**	**$ (160)**	**-152.1%**	**$ 36**	**$ (317)**	**$ 271**	**$ (588)**	**-217.2%**	**$ 142**

City of Alameda Health Care District

Statements of Operations - Per Adjusted Patient Day

October 31, 2010

	Current Month					Year-to-Date				
	Actual	Budget	$ Variance	% Variance	Prior Year	Actual	Budget	$ Variance	% Variance	Prior Year
Revenues										
Gross Inpatient Revenues	$ 3,079	$ 3,669	$ (590)	-16.1%	$ 3,162	$ 3,519	$ 3,584	$ (64)	-1.8%	$ 3,149
Gross Outpatient Revenues	1,794	1,797	(3)	-0.1%	2,335	1,835	1,812	23	1.3%	2,394
Total Gross Revenues	4,874	5,466	(592)	-10.8%	5,496	5,354	5,395	(41)	-0.8%	5,543
Contractual Deductions	3,400	3,949	549	13.9%	4,098	3,833	3,887	53	1.4%	4,143
Bad Debts	166	168	1	0.8%	138	166	165	(1)	-0.6%	115
Charity and Other Adjustments	29	42	13	31.0%	5	40	41	1	2.9%	17
Net Patient Revenues	1,278	1,307	(29)	-2.2%	1,255	1,315	1,303	12	1.0%	1,268
Net Patient Revenue %	26.2%	23.9%			22.8%	24.6%	24.1%			22.9%
Net Clinic Revenue	2	7	(5)	-67.1%	7	8	7	1	12.5%	2
Other Operating Revenue	2	3	(1)	-28.9%	5	2	3	(1)	-29.7%	16
Total Revenues	**1,283**	**1,318**	**(35)**	-2.6%	**1,268**	**1,326**	**1,314**	**12**	0.9%	**1,286**
Expenses										
Salaries	735	715	(20)	-2.8%	709	775	715	(60)	-8.4%	705
Registry	37	45	9	19.1%	36	41	44	3	7.0%	40
Benefits	218	218	(0)	-0.1%	16	196	222	26	11.9%	201
Professional Fees	78	78	(0)	-0.3%	46	81	79	(2)	-2.4%	67
Supplies	177	177	(1)	-0.3%	202	204	177	(28)	-15.6%	200
Purchased Services	94	98	4	3.9%	90	96	98	2	2.5%	89
Rents and Leases	17	17	1	3.9%	16	17	17	1	3.0%	15
Utilities and Telephone	16	18	2	11.0%	17	15	18	3	16.8%	16
Insurance	8	9	1	5.8%	9	8	9	1	7.9%	10
Depreciation and Amortization	21	18	(2)	-13.4%	22	22	18	(3)	-16.4%	22
Other Operating Expenses	19	19	0	0.5%	20	21	21	(0)	-2.2%	20
Total Expenses	**1,420**	**1,412**	**(8)**	-0.6%	**1,183**	**1,476**	**1,419**	**(57)**	-4.0%	**1,386**
Operating Gain / (Loss)	**(137)**	**(95)**	**(43)**	-44.9%	**84**	**(150)**	**(106)**	**(44)**	41.9%	**(100)**
Net Non-Operating Income / (Expense)	**123**	**121**	**2**	**2.0%**	**105**	**129**	**123**	**6**	**5.2%**	**108**
Excess of Revenues Over Expenses	**$ (14)**	**$ 26**	**$ (40)**	-153.6%	**$ 189**	**$ (21)**	**$ 17**	**$ (38)**	-219.0%	**$ 8**

City of Alameda Health Care District
Statement of Cash Flows
For the Four Months Ended October 31, 2010
$ in thousands

	Current Month	Year-to-Date
Cash flows from operating activities		
Net Income / (Loss)	$ (54,660)	$ (317,122)
Items not requiring the use of cash:		
Depreciation and amortization	81,057	$ 327,780
Changes in certain assets and liabilities:		
Patient accounts receivable, net	(297,925)	(541,874)
Other Receivables	(24,819)	(222,622)
Third-Party Payer Settlements Receivable	(133,215)	(302,860)
Inventories	4,047	312
Prepaids and Other	(2,895)	(234,047)
Accounts payable and accrued liabilities	311,695	670,569
Payroll Related Accruals	(915,973)	(132,474)
Employee Health Plan Accruals	(26,753)	(80,570)
Deferred Revenues	(477,847)	(1,913,128)
Cash provided by (used in) operating activities	(1,537,288)	(2,746,035)
Cash flows from investing activities		
(Increase) Decrease in Assets Limited As to Use	(10,888)	(41,975)
Additions to Property, Plant and Equipment	(95,229)	(510,838)
Other	1	(1)
Cash provided by (used in) investing activities	(106,116)	(552,815)
Cash flows from financing activities		
Net Change in Long-Term Debt	(38,041)	(151,443)
Net Change in Restricted Funds	10,888	41,975
Cash provided by (used in) financing and fundraising activities	(27,153)	(109,468)
Net increase (decrease) in cash and cash equivalents	(1,670,557)	(3,408,318)
Cash and cash equivalents at beginning of period	1,742,907	3,480,668
Cash and cash equivalents at end of period	$ 72,350	$ 72,350

Alameda Hospital

CITY OF ALAMEDA HEALTH CARE DISTRICT

DATE: December 13, 2010

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

FROM: Michael McCormick, Chairman
Administrative Pension Plan Oversight Committee

SUBJECT: Approval of 403(b) Tax Deferred Annuity Retirement Plan
Compliance Amendments (HEART and EESA)

Recommendation:
The APPOC recommends approval of a supplemental HEART amendment and an additional amendment reflecting provisions of the Emergency Stabilization Act of 2008 (EESA) to the 403(b) Tax Deferred Annuity Retirement Plan in order to remain in full compliance with Federal requirements.

Background:
There are a total of three (3) compliance amendments required:

A. **Pension Protection Act of 2006 (PPA):**
This amendment provides for "Differential Wage Payments" and "Direct Rollovers" not previously allowed and was incorporated into the document when it was recently restated.

B. **Heroes Earning Assistance & Relief Tax Act of 2008 (HEART):**
This amendment provides for Death Benefits for employees on an approved and Qualified active military service leave and needs to be incorporated to be in compliance with Federal requirements.

C. **Emergency Stabilization Act of 2008 (EESA):**
This amendment clarifies that participants who were directly affected by floods, severe storms or tornadoes that were declared Midwestern disaster areas between 5/21/08 and 7/31/08, would be eligible to apply for a "Qualified Disaster Recovery Assistance Distribution". Even though our employees may not be affected, this is a general amendment that must be adopted to keep the plan in compliance.

Discussion:
Both the amendments (HEART and EESA) are required to be adopted in order to meet Federal Compliance Standards.

Alameda Hospital

CITY OF ALAMEDA HEALTH CARE DISTRICT

DATE: December 13, 2010

TO: Members of the Board of Directors

FROM: Alka Sharma, MD
Chairman, Medical Executive Committee

SUBJECT: **Proposed Revision to Podiatry Privilege Delineation**

The Medical Executive Committee respectfully requests your consideration in approving the revised Application for Surgical Privileges. The application was revised to update the list of procedures currently performed by podiatrists at Alameda Hospital. Some of these privileges were listed under the orthopedic delineation and others under skin and tissue. The revised delineation incorporates all podiatric privileges under the delineation designated for podiatrists.

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Alameda Hospital

APPLICATION FOR SURGICAL PRIVILEGES

NAME: _____ SPECIALTY: _____

BOARD: _____

BOARD: _____

- Your request for clinical/surgical privileges will be evaluated on the basis of your **current** competence, including education, training, experience, demonstrated professional competence and judgment, recent clinical performance, and the documented results of patient care and other quality review and monitoring. Applicants who use the hospital infrequently may be asked to provide documented evidence of current competence from his/her primary hospital.

- *In the case of an emergency, any individual who is a member of the Medical Staff or who has been granted clinical/surgical privileges is permitted to do everything possible within the scope of his/her license, to save a patient's life or to save a patient from serious harm, regardless of staff status or privileges granted.*

- Procedures not listed on the attached application form must be requested on a separate form to determine the availability of sufficient space, equipment, technology and staffing to support each requested procedure. Please contact the Medical Staff Office at 510-814-4035 for the application forms. All requests for new technology/procedures must be approved prior to applying for the technology/procedure(s).

- Please check below each category of privileges you are requesting.

SURGICAL SPECIALTY AREA(S)

Please indicate below your surgical specialty area(s) for which you will be requesting privileges.

___	ABDOMINAL SURGERY	___	LYMPHATIC SYSTEM	___	PLASTIC SURGERY
___	ANESTHESIOLOGY	___	NEUROLOGICAL SURGERY	___	PODIATRIC SURGERY
___	BREAST SURGERY	___	OPHTHALMOLOGY	___	RECTAL SURGERY
___	CHEST SURGERY				
___	DENTAL PROCEDURES	___	ORAL / MAXILLOFACIAL SURGERY	___	SKIN / SUBCUTANEOUS
___	GYNECOLOGY	___	ORTHOPEDIC SURGERY		TISSUE
___	HEAD & NECK	___	OTOLARYNGOLOGY	___	UROLOGICAL SURG.
___	INVASIVE / DIAGNOSTIC & THERAPEUTIC PROCEDURES	___	PAIN MANAGEMENT	___	VASCULAR SURGERY

GENERAL PRIVILEGES

	REQUESTED	APPROVED
Hospital Admitting/Attending	_____	_____
Surgical Consultation	_____	_____
Assist Only Privileges	_____	_____

SPECIAL PROCEDURES

Documentation of appropriate training and/or recent experience is required.

PROCEDURAL SEDATION MANAGEMENT

To apply for sedation privileges, please contact the Medical Staff Office., 510-814-4035. A separate application will be sent to you. (Anesthesiologists are exempt from this requirement).

RADIOLOGICAL SAFETY

Fluoroscopy Criteria: *Practitioner must submit evidence with this application of a current California Fluoroscopy Operator's Permit.*

ACKNOWLEDGMENT OF PRACTITIONER

I have requested only those privileges for which, by education, training, current experience and demonstrated performance, I am qualified to perform, and that I wish to exercise at Alameda Hospital. I acknowledge that my professional liability insurance extends to all privileges I have requested.

_____ _____

SIGNATURE – APPLICANT DATE

NAME: _____

MEDICAL STAFF RECOMMENDATION

_____ _____
SIGNATURE/APPROVAL - CHAIRMAN, SURGERY/GYN COMMITTEE DATE

_____ _____
SIGNATURE/APPROVAL – PRESIDENT, MEDICAL STAFF DATE

ABDOMINAL SURGERY PROCEDURES 10.00 PG. 4	**Requested**	**Number Performed Past 2 Years**	**Approved**
Abdominal Perineal Resection			
Appendectomy			
Colon Surgery: Polyps & Resection			
Colon Surg. w/Abdominal Hysterectomy			
Cholecystectomy with Grams			
Common Duct Exploration			
Gastric Surgery			
Esophageal Surgery via Abdomen			
Aspiration or Biopsy			
Colonoscopy			
Peritoneoscopy			
Choledoshoscopy			
Hernia Repair: Diaphragmatic vs Abd.			
Hernia Repair: Femoral			
Hernia Repair: Incisional			
Hernia Repair: Inguinal			
Hernia Repair: Umbilical			
Diaphragmatic via Abdomen			
Liver			
Spleen			
Small Bowel			
Pancreas			
Peritoneum, Omentum			
Adrenals			
Abdominoplasty			
SPECIAL PROCEDURES			
Percutaneous Endoscopic Gastrostomy			
Gastroscopy			
Laparoscopic Cholecystectomy with Laser			
Intra-Abdominal Laparoscopic Procedures			

ANESTHESIOLOGY PROCEDURES 20.00 PG. 8/9	**Requested**	**Number Performed Past 2 Years**	**Approved**
Orotracheal Intubation			
Nasotracheal Intubation			
Spinal Anesthesia			
Epidural Anesthesia			
Epidural Analgesia			
Spinal Analgesia			
Other Regional Anesthesia			
CVP Lines			
Arterial Lines			
Fiberoptic Laryngoscopy			
Swan-Ganz Catheterization			

ANESTHESIOLOGY PROCEDURES (Continued)	**Requested**	**Number Performed Past 2 Years**	**Approved**
Epidural Therapy (Blood, Drugs))			
Transesophageal Echocardiography			
Sympathetic Block			
Peripheral Nerve Block			
Therapeutic Block			
Moderate Sedation			
Deep Sedation			

BREAST SURGERY PROCEDURES 8.00 PG. 3	**Requested**	**Number Performed Past 2 Years**	**Approved**
Excision of Cyst or Tumor			
I&D Abscess			
Mastectomy: Simple			
Mastectomy: Radical			
Mastectomy: Modified Radical			
Endoscopic Breast Surgery			

CHEST SURGERY PROCEDURES 9.00 PG. 3/4	**Requested**	**Number Performed Past 2 Years**	**Approved**
Drainage – Closed			
Drainage – Open			
Lobectomy			
Pneumonectomy			
Thoracentesis			
Esophageal Surgery			
Scalenotomy			
Phrenic Nerve Surgery			
Thoracic Vagotomy			
Thoracic Repair Diaphragmatic Hernia			
Bronchoscopy – Rigid			
Bronchoscopy – Flexible			
Esophagoscopy - Rigid			
Esophagoscopy – Flexible			
Mediastinoscopy			
Pacemaker Insertion – Transvenous			
Pacemaker Insertion – Transthoracic			
Pacemaker Insertion - Percutaneous			

DENTAL PROCEDURES 22.00 PG. 9	**Requested**	**Number Performed Past 2 Years**	**Approved**
Consultation			
Dental Examination			
Dental Hygiene			
Dental Prosthetics			
GYNECOLOGY PROCEDURES 11.00 PG. 4/5	**Requested**	**Number Performed Past 2 Years**	**Approved**
D&C			
Cervical Conization			
Colpocleisis			
Cystocele Rectocele Repair			
Fistulae – Rectovaginal			
Fistulae – Vesicovaginal			
Excision Bartholin's/Skene's			
Hymenotomy			
Hysterectomy – Vaginal			
Hysterectomy – Abdominal			
Hysteroscopic Tubal Sterilizations			
Myomectomy			
Salpingectomy – Sterilization			
Salpingectomy – Ectopic Pregnancy			
Vulvectomy – Simple			
Reconstruction – Congenital Deformities			
Tubal Ligation – Abdominal			
Tuboplasty			
Tubal Reanastomosis			
Laparoscopy – Diagnostic			
Laparoscopy – Sterilization			
Hysteroscopy – Diagnostic			
Consultation for Gyn Oncology Procedures			
HEAD AND NECK PROCEDURES 3.00 PG. 1	**Requested**	**Number Performed Past 2 Years**	**Approved**
Thyroidectomy			
Parathyroidectomy			
Tracheostomy			
Parotidectomy			
Salivary Gland Surgery			
Radical Neck Dissection			
Congenital Cysts and Sinuses			

INVASIVE/DIAGNOSTIC & THERAPEUTIC PROCEDURES 18.00 PG. 8	**Requested**	**Number Performed Past 2 Years**	**Approved**
Diagnostic Laparoscopy			
Esophagogastroduodenoscopy (EGD)			
Endoscopic Retrograde Cannulation of Pancreatic Duct			
Percutaneous Liver Biopsy			
Lymphangiography			
Arterial Cannulation			
CVP Lines			
Venous Cutdowns			
Parenteral Alimentation			
Swan-Ganz Catheterization			
Diagnostic Myelogram			
Percutaneous Tracheostomy			
Sentinel Node Biopsy			
Intraoperative Ultrasound			
Intraoperative Fluoroscopy			
SPECIAL PROCEDURES			
Fiberoptic Bronchoscopy			
LYMPHATIC SYSTEM PROCEDURES 6.00 PG. 3	**Requested**	**Number Performed Past 2 Years**	**Approved**
Biopsy Axilla, Neck, Groin, Scalene			
Lymphadenectomy – Axillary			
Lymphadenectomy – Cervical			
Lymphadenectomy – Groin			
Lymphadenectomy – Iliac			
Lymphadenectomy - Periaortic			
NEUROSURGERY PROCEDURES 17.00 PG. 8	**Requested**	**Number Performed Past 2 Years**	**Approved**
Nerve Root or Cord Decompression			

OPHTHALMOLOGY PROCEDURES 4.00 PG. 2	**Requested**	**Number Performed Past 2 Years**	**Approved**
CATARACTS			
Phacoemulsification/Fragmentation			
Intraocular Lens Implants (See Special Procedures below)			
CORNEA			
Penetrating Keratoplasty			
Radial Keratotomy (See Special Procedures below)			
EXTRAOCULAR			
Dacryocystorhinostomy			
Exenteration			
Scleral Reinforcement for High Myopia			
Cobalt Plaque for Ocular Tumors			
Beta-irradiation			
Pterygium			
GLAUCOMA			
BLEB Revision			
Ciliary Ablative Surgery			
Glaucoma Implant Surgery			
Goniotomy			
Iridectomy			
Trabeculectomy			
Trabulotomy			
OCUPLASTICS			
Blepharoplasty			
Frontalis Sling Procedure for Ptosis			
Eyelid Surgery with Staged Repair			
Ptosis			
Ectropion Repair			
Entropion Repair			
Brow Lift			
OPTIC NERVE			
Optical Nerve Sheath Decompression			
SPECIAL PROCEDURES - CATARACTS			
Intraocular Lens Implants			
SPECIAL PROCEDURES - CORNEA			
Radial Keratotomy			
SPECIAL PROCEDURES – RETINA & VITREOUS			
Pars Plana Vitrectomy			
Retinal Detachment			
Neodymium-YAG			
Retina Irradiation			
Orbital Exploration			
Limited Anterior Vitrectomy			
SPECIAL PROCEDURES – OTHER			
Laser, Argon			

ORAL & MAXILLOFACIAL SURGERY PROCEDURES 7.00 PG. 3	**Requested**	**Number Performed Past 2 Years**	**Approved**
Extractions			
I&D Intraoral Abscesses			
Alveolar Ridge Extension			
Surgical Removal/Impacted/Erupted Teeth			
Closed Reduction of Fractures of Facial Bones			
Open Reduction of Fractures of Facial Bones			
Recovery of Root from Maxillary Sinus			
Surgical Correction of Developmental or Traumatic Deformities			
Aloplast Implants to Face and Jaws			
Bones and Skin Grafts to Mouth and Jaw			

ORTHOPEDIC PROCEDURES 16.00 PG. 7/8	**Requested**	**Number Performed Past 2 Years**	**Approved**
JOINT REPLACEMENT			
Hip			
Knee			
Shoulder			
Elbow			
Ankle			
MCP Joint			
MTP Joint			
Spinal Fusion			
Arthrodesis			
Arthroplasty			
Arthroscopy			
Amputation – Simple			
Amputation – Major			
Drainage – Bone			
Drainage – Joint			
Bone Graft			
Fractures – Open			
Fractures – Closed			
Tendon Repair – Primary			
Tendon Repair – Secondary			
Peripheral Nerve Surgery			
Excision Ganglion			
Reduction Dislocation – Uncomplicated			
Reduction Dislocation – Open			
Skin Grafting – Small			
Skin Grafting – Major Split or Full Thickness/Flap/Pedicle			
Acromioplasty – Upper/Lower Extremity			
Bone – Needle Biopsy			
SPECIAL PROCEDURES			
Laminectomy			

OTOLARYNGOLOGY PROCEDURES 5.00 PG. 2/3	**Requested**	**Number Performed Past 2 Years**	**Approved**
Tonsillectomy			
Adnoidectomy			
Myringotomy			
Sinus Surgery			
Nasal Surgery – Septum			
Nasal Surgery – External Pyramid, Larynx, Trachea, Bronchi and Neck			
Endoscopy			
Tracheotomy			
Laryngectomy			
Neck Dissection			
Cysts, Brachial and Thryoglosal			
Salivary Glands			
Ear and Mastoid Surgery			
Tympanoplasties, Staples			
Otoscopy, Removal of Foreign Body			
Drainage Abscess or Hematoma of Auricle			
PE Tube Insertion			
Endoscopic Sinus Surgery			
SPECIAL PROCEDURES			
Endoscopic Sinus Surgery			

PAIN MANAGEMENT PROCEDURES 21.00 PG. 9	**Requested**	**Number Performed Past 2 Years**	**Approved**
Management of Chronic Pain States			
Catheter Placement (Epidural and Intrathecal)			
Fluoroscopically Guided Injections of Local Anesthetics and Neurolytic Substances			
Nerve Entrapment Release Procedures			
Caudal Epidural Catheter Placement			
Epidural Adhesion Lysis			
Spinal Analgesia			
Epidural Analgesia			
Spinal Anesthesia			
Other Regional Anesthesia			
Epidural Therapy			
Placement of Dorsal Column Stimulators			
Placement of Indwelling Intrathecal and Epidural Infusion Pumps			
Celiac Plexus Block			
Lumbar Sympathetic Block			
Selective Nerve Root Block			
Stellate Ganglion Block			
Transforaminal Block			
Facet Joint Injection			
Percutaneous Spinal Cord Stimulator			
Discography	`		

PLASTIC SURGERY PROCEDURES 2.00 PG. 1	**Requested**	**Number Performed Past 2 Years**	**Approved**
Rhytidectomy			
Blepharoplasty			
Rhinoplasty			
Mammoplasty – Augmentation			
Mammoplasty – Reduction			
Otoplasty – Cleft Lip or Palate			
Otoplasty – Facial Fractures			
Skin Grafting – STSG			
Skin Grafting – Full Thickness			
Skin Grafting – Sliding			
Skin Grafting – Pedicle			
Skin Grafting – Tube			
Bone, Cartilage Grafting			
Fascia Grafts			
Tendon Grafts			
Implantation Foreign Materials			
Dermabrasion			
Endoscopic Forehead Surgery			
Brow Lift Surgery			
SPECIAL PROCEDURES			
Laser Resurfacing of Face			
Liposuction			

PODIATRIC SURGERY PROCEDURES 14.00 PG. 6/7	**Requested**	**Number Performed Past 2 Years**	**Approved**
Achilles tendon surgery			
Amputation: Subtotal foot amputation: (not to include disarticulation at ankle jt.)			
Arthrodesis: ankle			
Arthrodesis: foot joints			
Arthroplasty/arthrotomy: ankle			
Arthroplasty/arthrotomy: foot joints			
Arthroscopy: ankle			
Arthroscopy: foot			
Biopsy: soft tissue and bone-ankle			
Biopsy: soft tissue and bone-foot			
Bone graft harvested from ankle/foot			
Bunionectomy with osteotomy			
Bunionectomy without osteotomy			
Debridgement of necrotic/infected soft tissue/bone; ankle			
Debridgement of necrotic/infected soft tissue/bone; foot			
Dislocation: closed reduction: ankle			
Dislocation: closed reduction: foot			
Dislocation: open reduction: ankle			
Dislocation: open reduction: foot			
Endoscopic plantar fasciotomy			
Exostectomy: ankle			
	R	**N**	**A**

PODIATRIC SURGERY PROCEDURES (Continued) 14.00 PG. 6			
Exostectomy: foot including heel spur			
Fasciotomy foot			
Fracture: closed repair – ankle			
Fracture: closed repair – foot			
Fracture: open repair – ankle			
Fracture: open repair – foot			
Implants/prosthesis: ankle			
Implants/prosthesis: foot			
Incision and drainage: soft tissue abcess, joint, bone, trauma-ankle			
Incision and drainage: soft tissue abcess, joint, bone trauma-foot			
Ligament repair: ankle			
Ligament repair: foot			
Nail surgery			
Osteotomy: ankle			
Osteotomy: foot			
Peripheral nerve surgery: excision, decompression			
Plantar fascia release			
Skin graft: small			
Skin graft: major split or full thickness/flap pedicle			
Soft tissue procedures: ganglions, scars			
Suture wounds: simple			
Suture wounds: complicated			
Tarsal Coalition resection			
Tendon repair: secondary			
Tendon repair: primary			
Tendon transfer			
Tumors: malignant/benign: excision soft tissues and bone: ankle			
Tumors: malignant/benign: excision soft tissues and bone: foot			

RECTAL SURGERY PROCEDURES 13.00 PG. 6	**Requested**	**Number Performed Past 2 Years**	**Approved**
I&D Perirectal Abscess			
Fistulectomy			
Fistulotomy			
Excision anal ulcer, papillae, crypts			
Polypectomy			
Sphincterotomy			
Hemorrhoidectomy			
Hemorrhoidopexy - Stapled			
Proctoscopy/Sigmoidoscopy			
Colonoscopy			
Rectovaginal Fistula Repair			

SKIN & SUBCUTANEOUS TISSUE PROCEDURES 1.00 PG. 1			
Biopsy – Incisional			
Biopsy – Excisional			
Burn Treatment – 1st Degree			
Burn Treatment – 2nd Degree			
Burn Treatment – 3rd Degree			
Suture Wounds – Simple			
Suture Wounds – Complicated			
Skin Grafting – STSG			
Skin Grafting – Full Thickness			
Skin Grafting – Sliding			
Skin Grafting – Pedicle			
Skin Grafting – Tube			
Drainage Abscesses			
Wide Excision Malignant Lesions			
Excision Pilonidal Cyst or Sinus			

UROLOGICAL SURGERY PROCEDURES 12.00 PG. 5	**Requested**	**Number Performed Past 2 Years**	**Approved**
Vasectomy			
Circumcision			
Cystotomy			
Cystoscopy, Urethroscopy			
Orchidectomy			
Major Renal Surgery			
Hydrocele			
Varicocele			
Prostatectomy			
T.U.R.			
Nephroscopy			
Major Ureteral Surgery			
Plastic Operations, Genitalia			
Vaso Vasotomy			
Penile Prosthesis Implants			
Insertion Ureteral Stents			
Ureteroscopy			
Raz Procedure – Bladder Suspension			
Laparoscopic Pelvic Lymphadenectomy			
Laparoscopic Varicocelectomy			

VASCULAR SURGERY PROCEDURES 15.00 PG. 7	**Requested**	**Number Performed Past 2 Years**	**Approved**

ARTERIAL:			
Carotid Artery Surgery			
Great Vessels and Thoracic Aorta			
Abdominal Aorta/Renals/Iliacs			
Vessels of the Extremities			
Microvascular Procedures			
Arteriograms, Aortagrams			
VENOUS:			
Venous Cutdown			
Vena Cava Ligation and Clipping			
Venograms			
Saphenous Vein Ligation and Stripping			
CVP Lines			
A-V Fistula Shunts			
External Shunts for Dialysis			
A-V Fistula – Cimino			
A-V Fistula – Non Autogenesis			
Balloon Angioplasty			
Arthrectomy			
SPECIAL PROCEDURES			
Laser Assisted Balloon Angioplasty			

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Date: December 13, 2010

To: City of Alameda Health Care District Board of Directors

From: Jordan Battani, Board President
Deborah E. Stebbins, CEO

Subject: Approval of District Resolution No. 2010-4H, *2011 Statement of Director Duties and Responsibilities*

RECOMMENDATION:

Hospital Management recommend that the City of Alameda Health Care District Board of Directors adopt Resolution 2010-4H, *2011 Statement of Director Duties and Responsibilities* as recommended by the Association of California Health Care Districts (ACHD).

BACKGROUND:

As stated in a recent letters from ACHD Chief Executive Officer, Ralph Ferguson:

> "The Boards of Directors of more than twenty (20) Health Care Districts will be seating new Directors over the next few months. To almost every new Director, the work is surprisingly demanding. Their key responsibility is oversight of a complex public business. Unlike virtually every other public enterprise (education, public safety, infrastructure support), the business organizations of Health Care Districts often must operate in very competitive or geographically difficult markets."
>
> "Unfortunately, the Legislative response to the public outcry over the actions of local government officials in the City of Bell has been to challenge the independence of local public entities. However, due to the budget crisis and the Governor's travels at the end of the last Legislative session, several bills limiting the operational freedom of local governmental entities were *not* signed into law. We anticipate that virtually all of these bills — and some even more undesirable - will be introduced again in the next Legislative session. Our shared goal must be to persuade Legislators that the boards of directors of Health Care Districts do not require additional supervision and limitation."
>
> "Fortunately, one element of the Association's new initiative on strengthening Board culture can provide tangible evidence of appropriate District governance.

> As addressed at the ACHD Annual Meeting in May 2010, Health Care Districts are now in the first post-election period during which every District Board can consider adopting annual Statements of Director Duties and Responsibilities ("Statements of Duties")."
>
> "The common public goal of these Statements of Duties is to contribute to strong Board cultures that emphasize the fiduciary duty and the public responsibilities of every Director. California law currently provides little regulation or guidance on effective District stewardship. Accordingly, individual Health Care Districts can and (in this political environment) should adopt annual resolutions establishing the duties and responsibilities of Directors. In a time of openly anti-government attitudes, District Directors publically adopting and embracing duty, responsibility and integrity should be welcomed everywhere. The business enterprises operated by Health Care Districts are like any entrepreneurial venture, too much government regulation can be detrimental to its success or survival."
>
> "The proposed Resolution cannot legally regulate the actions and conduct of the District Elected officials, but Director's who support a Resolution at a public meeting have created a strong cultural force for appropriate and professional behavior."

ACHD has provided all Health Care District's in the State of California with a proposed Resolution adopting a Statement of Director Duties and Responsibilities for consideration by each District.

While the City of Alameda Health Care District has not adopted a Statement of Director Duties and Responsibilities in the past, we feel strongly that the District Board should adopt the attached resolution now and on a yearly basis.

RESOLUTION NO. 2010-4H

BOARD OF DIRECTORS, CITY OF ALAMEDA HEALTH CARE DISTRICT

STATE OF CALIFORNIA

*** * ***

2011 Statement of Director Duties and Responsibilities

FINDINGS

WHEREAS, the Board of Directors of the City of Alameda Health Care District ('District') is committed to maintaining a governance culture founded on fiduciary duty and public responsibility. In support of this governance culture, the elected and appointed Directors of the District recognize and affirm their individual fiduciary duty to the District and their public responsibility to perform their duties as Directors in the best interests of the District.

WHEREAS, California Health & Safety Code section 32104 provides that the Board of Directors of a Health Care District shall establish rules for its proceedings and may adopt such rules and regulations not inconsistent with law as may be necessary for the exercise of the powers conferred and the performance of the duties imposed upon the Board.

WHEREAS, the Board of Directors desires to adopt by this Resolution a Statement of Director Duties and Responsibilities that reflects the high standards of duty, responsibility and integrity that the Directors bring to the performance of all public duties and responsibilities.

RESOLUTION

The Board of Directors of the City of Alameda Health Care Health Care District, adopting each of the above Findings and the actions required therein, hereby resolves and declares as follows:

1. This Resolution No. 2010-4H is the Statement of Director Duties and Responsibilities (herein also the "Statement of Director Duties") adopted by the Board of Directors of the City of Alameda Healt6h Care District for the 2011 calendar year. In adopting the Statement of Director Duties and Responsibilities, the members of the Board of Directors recognize their essential fiduciary duty to act in every circumstance in the best interests of the District. The fiduciary duty of Directors to the District is acknowledged to include both the duty of loyalty and the duty of due care.

2. A Director's fiduciary duty of loyalty to the District requires each Director to make a good faith effort to:

    i. place the best interests of the District above the Director's own personal interests or personal point of view,

    ii. recognize that disrespectful, disruptive or unprofessional behavior of Directors in public meetings is never in the best interests of the District,

    iii. perform the functions of Director in a manner that demonstrates respect for the structure and governance of the Board and respect for other Directors,

    iv. provide the Board and other Directors with true and accurate information regarding District matters,

    v. respect the confidentiality of privileged information provided to Directors.

3. A Director's fiduciary duty of due care to the District requires each Director make a good faith effort to:

    i. remain informed about the District's mission, strategic plan and operational performance,

    ii. ensure that the District has the necessary financial and human resources, including the necessary quality of leadership, required for the District to achieve its mission,

    iii. fully participate in the meetings, deliberations and decisions of the Board,

    iv. timely review Board meeting materials and other District communications.

4. The responsibility of Directors to perform their public duties in the best interests of the District requires each Director to demonstrate the highest standards of personal integrity and honesty, thus maintaining the public's trust and confidence in the functioning of the District.

5. The responsibility of Directors to perform their public duties in the best interests of the District requires each Director to make a good faith effort to:

    i. acquire and maintain the knowledge necessary to competently perform the duties of Director,

    ii. stay informed on public issues affecting the mission of the District,

    iii. comply with applicable provisions of the Ralph M. Brown Act in all proceedings of the District Board and its Committees,

    iv. provide appropriate transparency and candor in all public matters.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the District that the District adopt the 2011 Statement of Duties and Responsibilities as outlined above.

PASSED AND ADOPTED on December 13, 2010 by the following vote:

AYES:_____ NOES:_____ ABSENT:_____

_____

Jordan Battani

President

_____

J. Michael McCormick

Treasurer

Alameda Hospital

CITY OF ALAMEDA HEALTH CARE DISTRICT

DATE: December 13, 2010

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

FROM: Kerry Easthope, Associate Administrator

SUBJECT: Letter of Intent for lease of 815 Atlantic Avenue

Recommendation:

It is being recommended that the City of Alameda Health Care District Board of Directors approve the lease terms and conditions outlined in the attached Letter of Intent for the building lease located at 815 Atlantic Avenue, Alameda, California.

The terms and conditions of the Letter of Intent will be incorporated into a formal contract that once reviewed by management and legal counsel, will be brought to the Board for final approval.

Background:

As part of the Districts strategic plan, management has been actively engaged in pursuing new business and growth opportunities. As has been discussed and presented in prior meetings, one such program is the development of a wound care program in conjunction with Accelecare Wound Centers, Inc.

In order to facilitate this and other future outpatient program opportunities, additional space is needed. After considering various options, the location at 815 Atlantic Avenue, seems to best meet the hospital's current and future space requirements.

Management has carefully negotiated the materials terms and conditions for a lease contract with Legacy Marina Village, the landlord, through the assistance of a commercial real estate agent from Cushman Wakefield. The terms and conditions are included in the attached Letter of Intent.

Discussion:

Although the negotiation process with Legacy was tedious and took several months to complete, management is pleased with the final terms of the Letter of Intent. We feel that the terms will provide the hospital with a building lease option that is cost effective while minimizing the initial risk of developing the intended wound care program.

In addition, the terms provide for expansion and purchase right options that help protect the hospital's ability to grow into remaining building space in the future as our needs dictate. A key component of the lease will be a Subordination and Non-Disturbance Agreement that will protect the hospitals lease terms in the event the property should change ownership.

Rather than restate the information provided in the Letter of Intent, I will refer to that document for the remainder of our discussion and presentation.

December 3, 2010

Cushman & Wakefield of California, Inc.
LIC. # 00616335
1111 Broadway, Suite 1600
Oakland, CA 94607
(510) 763-4900 Tel
(510) 834-4119 Fax

Ryan R. Hattersley
Senior Director
LIC. # 01354553

Mr. Jon Elder
Jones Lang LaSalle, Inc.
1331 North California Boulevard, Suite 170
Walnut Creek, CA 94596

Re: Alameda Hospital & Legacy Marina Village – Letter of Intent

Dear Jon:

Cushman & Wakefield has been authorized by City of Alameda Healthcare District, DBA Alameda Hospital ("Tenant") to submit the following Letter of Intent ("LOI") for a potential Lease at 815 Atlantic Avenue, Alameda, CA.

Although specific, please do not consider these terms binding as only a fully executed and ratified lease will create a contractual obligation on behalf of Tenant.

PROJECT:	Marina Village Business Park, Alameda, CA.
OWNERSHIP:	Legacy Partners I Alameda, LLC a Delaware limited liability company ("Landlord").
TENANT:	City of Alameda Healthcare District, DBA Alameda Hospital ("Tenant").
USE:	Medical office, wound care, rehabilitation/physical therapy, medical lab, radiology, physician offices, urgent care services, administrative office and all other related or ancillary uses. Please note we are under the impression that all of the above uses all fall into the Administrative Professional (AP) use designation and that the AP use is allowed in the areas zoned Mixed Use (MX), which includes the Marina Village Business Park. Tenant will have the right to terminate the Lease at any time prior to the Lease Commencement Date in the event they are unable to secure the required use permits, construction permits, occupancy permits and any other permits or approvals that would be required for Tenant to legally and functionally operate in the Premises ("Contingencies"). In the event Tenant does elect to terminate this lease after lease execution and full execution of the SNDA, but prior to the Lease Commencement Date, Tenant to pay Landlord's out of pocket legal costs associated with negotiating the Lease

Document and SNDA, not to exceed a total of $5,000.00. In this case Tenant's Security Deposit and first month of paid Base Rent shall be refunded to Tenant.

PREMISES: The initial Premises shall be approximately 10,612 rsf on the 1st floor of the Building, known as suite 100.

LEASE COMMENCEMENT: The Lease shall commence one hundred and eighty (180) days from the lease execution date and the execution of a satisfactory SNDA from the Lender/Servicer ("Commencement Date"), subject to Tenant's removal of its Contingencies, as defined above. We will agree to a 'no later than date' of September 1, 2011, but Tenant must also have the right to terminate the Lease if a satisfactory SNDA is not in-place within sixty (60) days of full lease execution.

EARLY OCCUPANCY: Tenant shall be allowed early occupancy from the date of Lease Execution until the Commencement Date, free of charge, for the purpose of constructing the Tenant Improvements, installing furniture systems, fixtures and equipment, telecommunications equipment/cabling and moving-in. Tenant shall not have the right to make any alterations to the Premises without Landlord's prior consent to do so until Tenant has removed its Contingencies.

INITIAL LEASE TERM: The Initial Lease Term shall commence upon the Commencement Date and shall terminate one hundred twenty-three (123) months later, unless otherwise extended or terminated by the parties.

INITIAL BASE RENT: Base Rent shall be abated for the first three (3) months of the Term and, thereafter, shall be $0.70/rsf/yr, NNN. This rate shall increase by $0.05/rsf/month, annually, on each anniversary of the Commencement Date. As an example, Base Rent shall be $0.75/rsf/month in months 13-24, $0.80/rsf/month in months 25-36, etc. The first month of paid Base Rent shall be pre-paid upon lease execution, in addition to the Security Deposit.

OPERATING EXPENSES: Tenant shall be responsible for paying its pro-rata share of Operating Expenses, including: Insurance, CAM, Common Area Utilities, Property taxes (excluding assessments/bonds) & Management. Tenant understands that the fully grossed-up 2010 estimates are as outlined below:

Expense Item	2010 Annual	$/sf/yr	$/sf/mo.
Taxes	67,990	$2.73	$0.23
Insurance	24,531	$0.98	$0.08
CAM	45,683	$1.83	$0.15
Common Area Utilities	11,286	$0.45	$0.04
Mgmt Fee	20,469	$0.82	$0.07
Totals	**169,959**	**$6.82**	**$0.57**

OPTION TO RENEW: Tenant shall have two (2) five (5) year options to renew with no less than nine (9) month's and no more than twelve (12) month's prior written notice to Landlord. The rental rate for the renewal term shall be at the then current market rate at the time the option is exercised, taking into account the Landlord concessions then occurring in the marketplace and available to non-renewing tenants considering similar term obligations in similar product type in the Alameda submarket.

Market shall be defined as the effective rate offered to or provided to tenants of comparable size and credit by the building or by buildings of similar age, quality and product type in the Alameda submarket, after all concessions and cash allowances. The rights granted to Tenant hereunder are personal to the original Tenant and may only be exercised by Tenant when the original Tenant is at least partially in possession of the Premises.

EXPANSION RIGHT: For the first one (1) year of the Initial Lease Term, Tenant to have the right to expand into suite 105, consisting of approximately 11,640 rsf, suite 101 (1,122 rsf), and suite 102 (1,492 rsf), subject to availability. The rental rate for the Expansion Premises shall be at the rate that applies to the Initial Premises when the expansion occurs ("Expansion Right"). As of the 13th through 18th month of the Initial Lease Term, Tenant shall have the Right to Expand into Suites 101, 102, and, 105 at Fair Market Value defined above in the Option to Renew.

We understand that suite 101 is leased through 3/31/2012 and that the current occupant has one (1) five (5) year renewal right. We understand that suite 102 is leased through 1/31/2014 and that the current occupant has one (1) five (5) year renewal right. Tenant's right to expand into suites 101 & 102 are secondary only to the renewal rights of the current occupants of these suites.. Under this Expansion Right, the

Lease Term shall be co-terminus and all renewal rights and other terms of the lease shall also apply to the expansion Premises, including the dates on which Base rent escalates, etc.

RIGHT OF FIRST REFUSAL TO LEASE:

In addition to the Expansion Right outlined above, for the entire Initial Lease Term, Tenant to also have the Right of First Refusal ("ROFR") to lease any or all of suites 105, 101 & 102 such that prior to entering into a lease with a third party tenant ("3rd Party"), Landlord to first offer the Premises to Tenant under the identical terms that the Landlord and the 3rd Party have agreed upon ("Offer"). At that point, Tenant to have seven (7) business days to either accept, or reject, such Offer. If Tenant rejects the Offer, Landlord shall have the right to lease the space to the 3rd Party under the terms of the Offer. In the event a lease is not consummated between the 3rd Party and the Landlord within three (3) months of the date on which the rejection notice was given to Landlord, the ROFR shall again apply on that particular portion of the Building. The ROFR shall be ongoing throughout the Initial Lease Term and shall apply to any currently available space, or any space that may become available in the Building during the Initial Term.

This Right of First Refusal shall 1) be personal to the originally named Tenant, and may not be assigned, and may only be exercised by Tenant when the original Tenant is at least partially in possession of the Premises, 2) may not be exercised if tenant is then in-default of the terms of the lease, or if at any time during the Lease Term Tenant has been in Default beyond any applicable cure periods.

PARKING

Tenant requires 3.4/1,000 parking, all of which shall be unreserved.

TENANT IMPROVEMENTS:

Landlord shall ensure that the Base Building (including but not limited to the roof, foundation, MEP systems and distribution, fire and life safety systems and infrastructure, exterior walls, HVAC systems, etc.) are in good working condition and are not at the end of their useful life.

Tenant to accept the Premises in as-is condition and to fund, design and construct the Tenant Improvements and Alterations at Tenant's sole cost and using Tenant's selected contractors/vendors. Landlord shall have the reasonable right of approval over selected contractors/vendors and

Tenant shall pay an oversight fee of 2%, capped at $15,000 over the Lease Term and any extension thereof.

In addition to interior Tenant Improvements, subject to City approval, Tenant shall have the right to construct a pad and enclosure in the parking lot or landscaped areas at the rear of the Building that will house equipment/infrastructure that serves Tenant's Premises. Landlord shall have the reasonable right to approve the location and aesthetics of this pad and enclosure, but shall not have the right to withhold its consent to the construction thereof. While not yet designed, we anticipate this enclosure to measure approximately 17'x21' and to be approximately 10' high. Initially this enclosure will contain a bulk Oxygen tank, but in the future this may need to be expanded to also house a generator/fuel tank or other pieces of equipment that serve the Premises.

All construction completed by Tenant will be completed by licensed contractors/subcontractors, per code, with permits and will be approved by the appropriate regulatory agencies. Tenant intends to have a very experienced third party Project Manager and Architect working on its behalf to ensure that this is a successful project for all parties involved.
Accepted

SIGNAGE: Landlord shall provide building standard signage for Tenant at Landlord's sole cost. Tenant to have the right to install Building signage and monument signage, at Tenant's cost, subject to City and Landlord's reasonable approval. Please note the signage Tenant intends to apply for from the City of Alameda is likely not in-line with the Landlord's 'standard' signage criteria. Tenant's architect is working on a basic signage spec in order to help Landlord understand the magnitude of signage Tenant will want to achieve.

Any costs Landlord may incur as a result of Tenant's requested signage program will be paid for by Tenant, provided that Tenant is notified, in advance, of the amount of such charges and has the right to rescind its request prior to incurring any charges. As an example, if Landlord is going to incur a $2,500 charge from the City of Alameda for reviewing Tenant's requested signage program, Landlord to first inform Tenant that this is the case and Tenant to have the ability to either reimburse Landlord for this cost, or to rescind its request for the signage that is 'triggering' these costs.

ACCESS: Tenant shall have access to the Building and Premises 24 hours per day, 7 days per week, 52 weeks per year.

SECURITY DEPOSIT: Equal to the last month's Base Rent, which equates to $12,204.95.

RIGHT TO SUBLEASE: Tenant shall have the right to assign or sublease, to an unrelated entity, all or part of the Premises with Landlord's prior written consent, which shall not be unreasonably withheld, conditioned, or delayed. A 50% profit share shall apply to any subleases consummated with unrelated entities, as further defined in the lease.

No consent shall be required for occupancy, sublease or assignment to any subsidiary, affiliates (including physicians), related companies, auditors, or partners of Tenant and there shall not be a profit share in this case. Please note that due to certain laws, Tenant effectively subleases space to physicians and other related entities. These subleases are informal and often inclusive of additional services that are provided by the Hospital.

SUBORDINATION AND NON-DISTURBANCE AGREEMENT & TENANT OFFSET RIGHT: Given the significant investment Tenant will be making in the Premises, this lease shall be contingent upon receipt of a satisfactory Subordination and Non-disturbance Agreement from the current and any future Lender, protecting Tenant's tenancy and all of the terms of the lease.

FIXED PRICE PURCHASE RIGHT: For the first 2 years of the Lease Term, Tenant to have the Right to Purchase the Building for a fixed price of $200/rsf. In the event Tenant exercises this Fixed Price Purchase Right, Tenant shall have a thirty day (30) day conditions period and sixty (60) days to close escrow. $50,000.00 shall be the initial refundable deposit upon execution of the purchase and sale agreement and another $100,000.00 shall be due upon expiration of the conditions period, at which point the total deposit shall become non-refundable.

RIGHT OF FIRST REFUSAL TO PURCHASE: Tenant to have the Right of First Refusal ("ROFR to Purchase") to purchase the Building such that prior to entering into a Purchase and Sale Agreement with a third party buyer ("3rd Party Buyer"), Landlord to first offer the Premises to Tenant under the identical terms that the Landlord and the 3rd Party Buyer have agreed upon

("Purchase Offer") and Tenant to have ten (10) business days to either accept, or reject, such Purchase Offer. In the event Tenant accepts the terms of the Purchase Offer, Tenant's initial deposit will be be $150,000.00 and will immediately non-refundable. If Tenant rejects the Purchase Offer, Landlord shall have the right to sell the Building to the 3rd Party Buyer under the terms of the Purchase Offer.

This sale transaction must close within sixty (60) days of the notice and is a One Time right.

COMPENSATION: Cushman & Wakefield, as exclusive representative of Tenant, shall be paid a leasing and/or sale commission by Landlord pursuant to the terms of a Commission Agreement. Please note Tenant fully supports C&W in its request to be paid a commission on any expansions or in the event Tenant purchases the Building pursuant to any of the Options outlined/negotiated herein. Landlord shall pay 50% of the Compensation upon full execution of the Lease, SNDA, and waiver of contingencies, and will pay the balance upon Lease Commencement. In the event Landlord does not pay the commissions within 30 days of when due, Tenant shall have the right to offset the unpaid amount against rent.

DISCLAIMER: This letter is only a proposal to negotiate and is neither an offer nor a contract. This proposal is only a list of the above terms and conditions that may or may not become a part of the final lease. This proposal is not intended to be binding or to impose any obligations whatsoever on either party, including any obligation to bargain in good faith. No covenants are implied. The parties do not intend to be bound by an agreement until both agree to sign a formal written contract.

In addition, this letter is submitted subject to review and acceptance of the final terms and conditions of the lease and related documents. Nothing contained herein shall be binding on either party unless and until such documents are approved, fully executed and exchanged by both parties. Either party is free to terminate the negotiations at any time, and will not by doing so incur any additional obligations or liability.

Jon, we appreciate your assistance and we look forward to your response by no later than 5:00pm on December 3, 2010. If the terms of this LOI are acceptable, we ask that you please prepare a DRAFT lease for our review. Please do not hesitate to contact me with any questions or comments.

Mr. Jon Elder
December 3, 2010

Sincerely,

CUSHMAN & WAKEFIELD OF CALIFORNIA, INC.

Ryan Hattersley
Senior Director

CC: Alameda Hospital distribution, via email
Mr. Daniel Bisabri, C&W


Oakland/Alameda Estuary
Marina
EXTENDED STAY
MARINER SQUARE RESTAURANTS
FROM OAKLAND
TO OAKLAND
RESTAURANT
ATHLETIC CLUB
DAY CARE
Marina Village Parkway
Constitution Way
Webster Street
Shopping Center
801-947
Residential
RESTAURANT
SHORELINE PARK AND PAR COURSE
YACHT CLUB
MARINA VILLAGE INN
RESIDENTIAL
Challenger Drive
Independence Drive
Triumph Drive
Atlantic Avenue
Sherman Street
To Buena Vista Avenue
1305
1250
1210
1150
1100
1080
1070
1050
1040
1030
1301
1201
1101
1001
1151
950
2060
965
985
1005
1015
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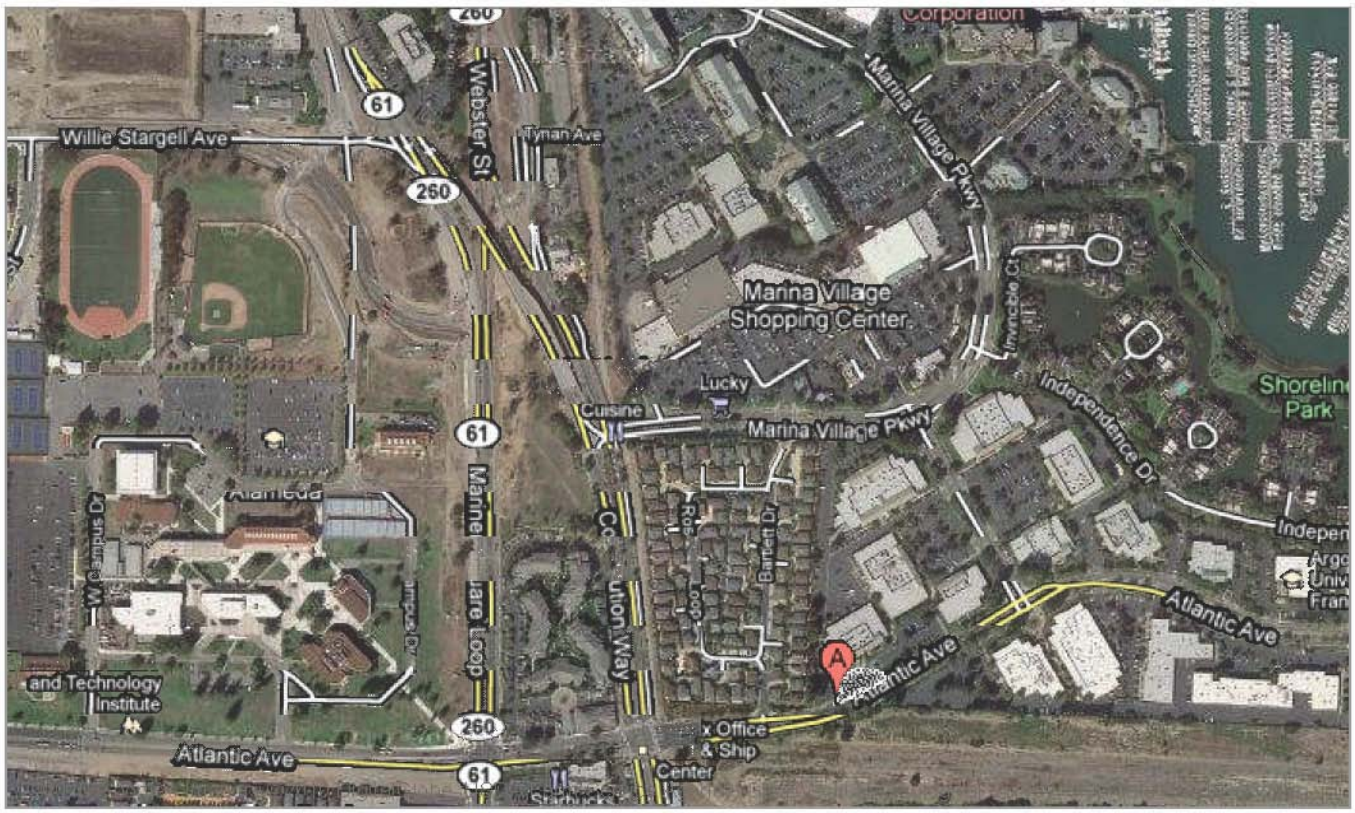
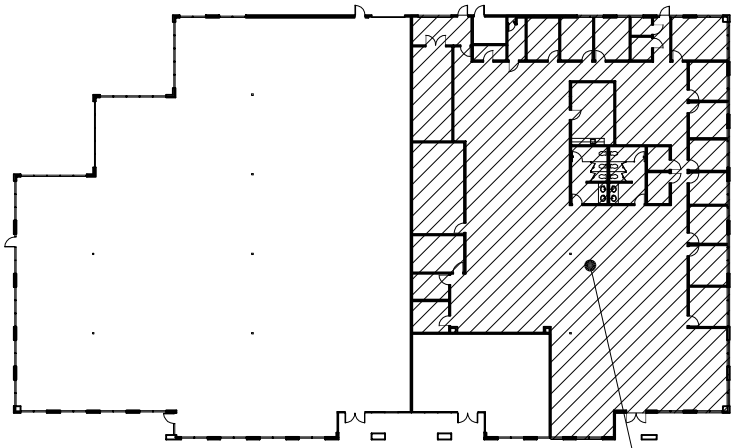
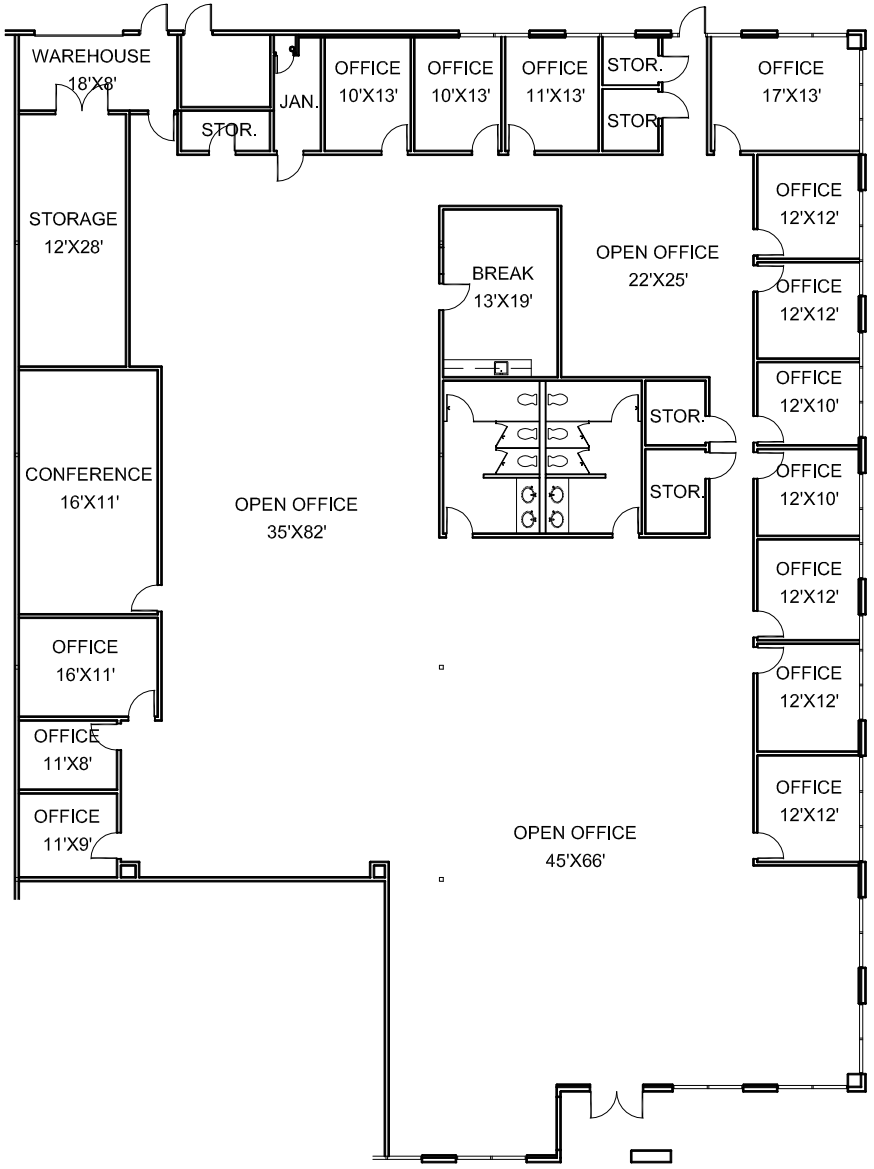
2021
2020
815
860
960
980
1000
1010
1020


Willie Stargell Ave
Webster St
Tynan Ave
Marina Village Pkwy
Marina Village Shopping Center
Lucky
Cuisine
Independence Dr
Shoreline Park
Marina Village Pkwy
Marina Bay Loop
Union Way
Barrett Dr
Atlantic Ave
Atlantic Ave
Atlantic Ave
and Technology Institute
x Office & Ship Center
61
260
61
260
61



KEY PLAN
SCALE: N.T.S.

SEE ENLARGED FLOOR PLAN



AREA SUMMARY:

SUITE #100: 10,612 RSF

ENLARGED FLOOR PLAN
SCALE: N.T.S.

815 ATLANTIC AVENUE, SUITE 100
ALAMEDA, CALIFORNIA

Design & Planning Department
4000 East Third Avenue, Suite 600
Foster City, California 94404-4805
(650) 571-2200
Fax: (650) 571-2282

Alameda Hospital

CITY OF ALAMEDA HEALTH CARE DISTRICT

DATE: December 13, 2010

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

FROM: Kerry Easthope, Associate Administrator

SUBJECT: Wound Care Construction Build-Out Budget

Recommendation:

Hospital Administration is recommending that the City of Alameda Health Care District Board of Directors review and approve the attached budget for the build-out of a Wound Care Center located at 815 Atlantic Ave, Suite 100, Alameda California. The proposed total recommended budget is $870,698, to renovate approximately 4,600sq/ ft. including 800 sq. ft. of common area that will later be shared by a future service. This total includes the following cost categories:

Category		Amount
Design & Engineering	$	63,950
Permits & Utilities		16,250
Construction Cost		562,429
Furniture & Fixtures		69.000
Project Administration		45,500
Owners Contingency 15%		113,569
Total	**$**	**870,698**

The construction portion of this project will be put out for public bid as required. We feel confident that competent and competitive bids for this project be within this budget estimate. Furthermore, management will bring a construction contractor recommendation to the board for approval, prior to entering into a contract for this work.

Management is pursuing financing from various sources to cover the cost of the construction build-out, equipment and furnishings as well as funding for anticipated start-up operating costs. These potential funding sources include: Accelecare Wound Centers, Inc., the Alameda Hospital Foundation, the Bank of Alameda, commercial tax exempt and taxable financing options, and the Healthcare Expansion Loan Program II (HELP II) through the California Health Facilities Financing Authority (CHFFA). However, these

external options may prove difficult due to the proportion of the project cost that is related to tenant improvements versus tangible assets.

Background:

As part of the District's strategic plan, management has been actively engaged in pursuing new business and growth opportunities. As has been discussed and presented in prior meetings, one such program is the development of a wound care program in conjunction with Accelecare Wound Centers, Inc.

The financial proforma (attached) indicates that this new program will generate net contribution margin in each of the first five years as indicated below:

Year of Operation		Amount
Year 1	$	194,140
Year 2		390,495
Year 3		460,659
Year 4		487,219
Year 5		505,526
Five Year Total	**$**	**2,038,038**

The above financial results are only for the wound care program and do not include additional ancillary work and revenues that are anticipated once this program is in full operation. It is estimated that ancillary revenue could produce approximately **$300,000** additional net revenue per year.

Discussion:

The wound care program construction budget was developed with input from several individuals and entities. Pound Management, our project management firm took the lead and was responsible for providing design plans and scope of work data to various construction contractors who submitted cost estimates for this work. Terry Harden Architects provided basic schematic designs and program requirement information that was important for those providing cost estimates. Mr. Harden has extensive experience with would care center design and planning. In addition, we involved a medical gas installation and supply company to determine the cost and requirements for the bulk oxygen component of this project.

This project will operate as a department of the hospital and will therefore be an OSHPD 3 project and will require survey and licensure by the California Department of Public Health. We did meet with the city building department, and we believe that these plans

will be reviewed locally. We are still working to schedule a meeting with the city fire inspector to discuss our plans for the bulk oxygen container.

Even though there is a fairly significant initial capital outlay, investment in a new revenue generating program with projected positive contribution margin, is imperative for the hospital to strengthen its financial position. There has been overwhelming strong physician support for this type of program, from both Alameda Hospital physicians, as well as, physicians from the surrounding market. With the professional management and expertise brought to the table with Accelecare, we are confident that this will be a successful and financially rewarding program.

Alameda Hospital
2070 Clinton Ave
Alameda CA 94501

Alameda Hospital Wound Care
815 Atlantic Ave Ste 100, Alameda

11/23/10

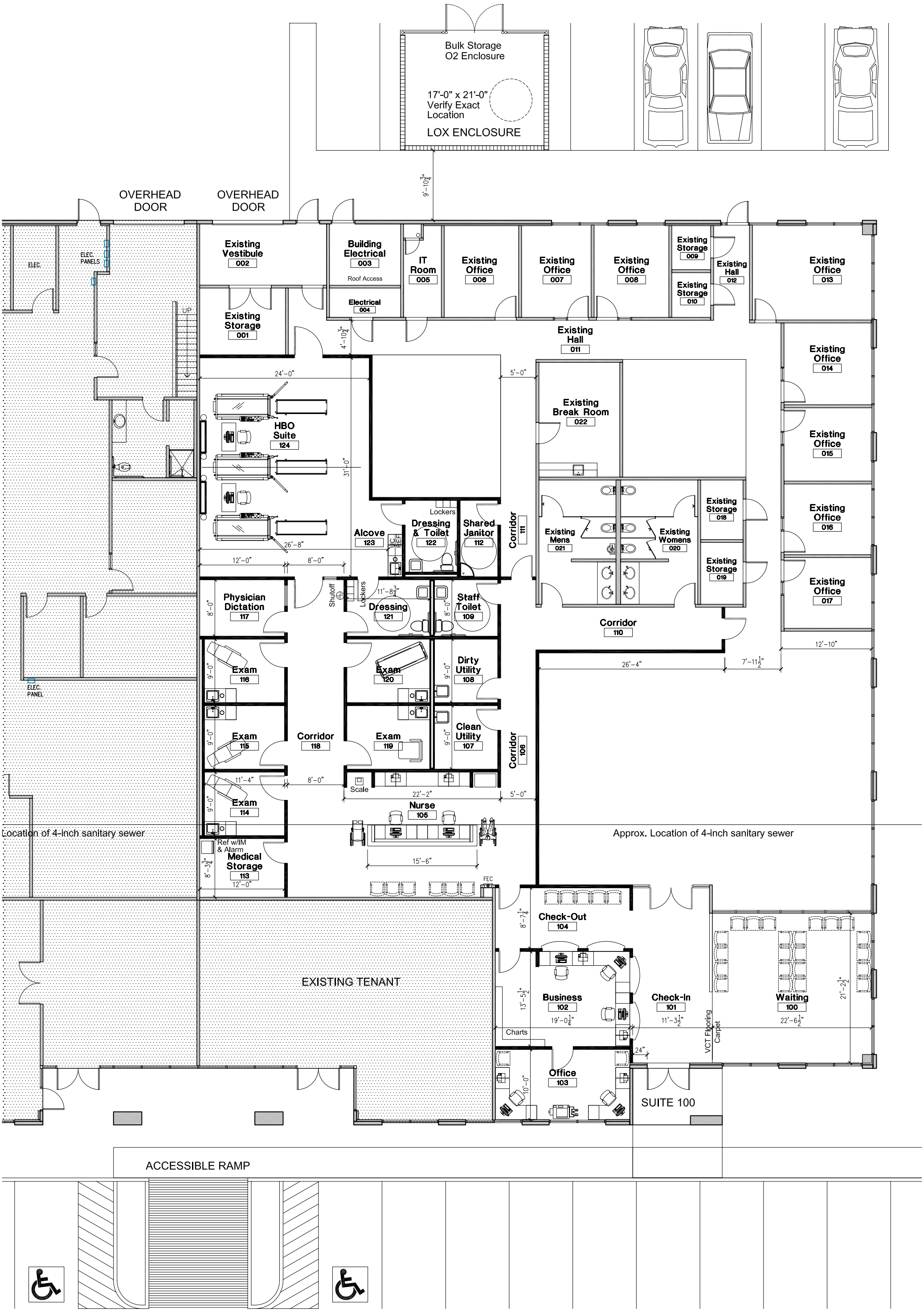
	ITEM	VALUE	COMMENTS
2.00	**Design and Engineering:**		
2.01	Survey	$1,000	May be required to site bulk LOX pad /easement issue
2.02	Geotechnical	$0	None
2.03	Civil	$0	None
2.04	Architectural	$60,000	
2.05	Structural	$0	None
2.06	Mechanical	$1,200	Review and report of (E) roof top equipment (if needed)
2.07	Electrical, data, fire alarm and security	$0	None - Design build
2.08	Landscape	$0	None
2.09	Title 24	$250	Energy compliance
2.10	Other consultants	$0	?
2.11	Reimbursables	$1,500	Copies of plansets - archival and construction docs
	Sub-total:	$63,950	
3.00	**Permits and Utilities:**		
3.01	Planning Dept.	$0	
3.02	Public Works	$0	
3.03	Building Dept.	$15,000	Estimate
3.04	School Fees	$0	No new area being added
3.05	Connection fees - water, fire water & sewer	$0	All in place
3.06	Fire Marshall	$750	Estimate
3.07	Utilities - electric & gas	$0	All in place
3.08	Telephone, CATV	$500	Estimate
3.09	SWPPP	$0	
	Sub-total:	$16,250	
4.00	**Construction Costs:**		
4.01	Hazmat	$0	
4.02	General Contractor:	$485,521	Rossi Builders conceptual estimate
4.03	Specialty items - oxygen distribution incl cert.	$61,408	Pad, enclosure, manifolds, piping, alarms, valves and exhaust
4.04	Specialty testing/ Inspections	$500	Anchors at H chambers
4.05	Misc - owner supplied, contractor installed	$5,000	Paper towel disp / waste containers / dispensers
4.05	Signage	$10,000	Alameda H std. - exterior, room numbers and way finding
	Sub-total:	$562,429	
5.00	**Furniture Fixtures & Equipment:**		
5.01	Telephone system	$8,000	Small office system -15 handset capacity and switch
5.02	Computer system	$25,000	New server, 9 new workstations 3 printers, 1 fax/scan/copy/print
5.03	Audio / Visual systems	$1,500	TV in waiting area
5.04	Security / Surveillance system	$3,000	Basic, monitored, motion detector front and rear doors
5.05	Furniture / Equipment / Lockers	$30,000	Budget - chairs, exam chairs, exam stools, linen carts, lockers
5.06	Plants / Art Work	$1,500	
	Sub-total:	$69,000	
6.00	**Administration:**		
6.01	Project management	$43,000	Heavy on construction admin. (incls add for Legacy)
6.02	Insurance	$2,500	Builders risk
6.03	Moving Costs	$0	
	Sub-total:	$45,500	
7.00	**Contingency**		
7.01	Owners Contingency	$113,569	15%
	Total Project Budget:	$870,698	

Wound Care Program

APC Model: Financial Analysis

Prepared by Kerry Easthope, 12/1/10

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
	Alameda	Alameda	Alameda	Alameda	Alameda	Alameda
Number of new patients per year	250	350	385	397	409	1791
Number of visits per year	2500	3500	3850	3970	4090	17910
APC reimbursement percentage	50%	50%	50%	50%	50%	50%
Total Direct Net Revenue	632,642	889,709	973,867	1,007,763	1,033,638	4,537,618
Staff Expenses						
Center Director	accelecare	accelecare	accelecare	accelecare	accelecare	
Clinical Manager	accelecare	accelecare	accelecare	accelecare	accelecare	
HBO Tech	accelecare	accelecare	accelecare	accelecare	accelecare	
Nursing (RN's LPN's, MA's) **	175,760	202,800	202,800	202,800	202,800	986,960
Office Coordinator	58,050	58,050	58,050	58,050	58,050	290,250
Total	233,810	260,850	260,850	260,850	260,850	1,277,210
Non-Staff Expenses						
Physician Training & Certification	accelecare	accelecare	accelecare	accelecare	accelecare	accelecare
Staff Training & Certicfication	accelecare	accelecare	accelecare	accelecare	accelecare	accelecare
Community Education	accelecare	accelecare	accelecare	accelecare	accelecare	accelecare
Facility Design & Planning	accelecare	accelecare	accelecare	accelecare	accelecare	accelecare
Equipment Installation	accelecare	accelecare	accelecare	accelecare	accelecare	accelecare
Billing & Coding training & supervision	accelecare	accelecare	accelecare	accelecare	accelecare	accelecare
Clinical & Financial Audits	accelecare	accelecare	accelecare	accelecare	accelecare	accelecare
Outcomes Reporting	accelecare	accelecare	accelecare	accelecare	accelecare	accelecare
Hyperbaric Chambers	accelecare	accelecare	accelecare	accelecare	accelecare	accelecare
Maintenance & Service of HBOT chambers	accelecare	accelecare	accelecare	accelecare	accelecare	accelecare
TCPO2 Equipment	accelecare	accelecare	accelecare	accelecare	accelecare	accelecare
Medical Director fee	36,000	36,000	36,000	36,000	36,000	180,000
Medical Supplies	62,500	87,500	96,250	99,250	102,250	447,750
Oxygen	7,280	10,304	11,200	11,648	11,872	52,304
Linen	5,000	7,000	7,700	7,940	8,180	35,820
Total	110,780	140,804	151,150	154,838	158,302	715,874
Other						
Advertising	25,000	25,000	25,000	25,000	25,000	125,000
Travel	8,000	8,000	8,000	8,000	8,000	40,000
Rent	*57,912*	*61,560*	*65,208*	*68,856*	*72,960*	326,496
Utilities	3,000	3,000	3,000	3,000	3,000	15,000
						-
Total	93,912	97,560	101,208	104,856	108,960	506,496
Total Expenses	438,502	499,214	513,208	520,544	528,112	2,499,580
Contribution Margin	194,140	390,495	460,659	487,219	505,526	2,038,038
Contribution Margin Percentage	31%	44%	47%	48%	49%	45%



SCHEMATIC PLAN "C" - 102310

Alameda Hospital

CITY OF ALAMEDA HEALTH CARE DISTRICT

Date: December 13, 2010

To: City of Alameda Health Care District Board of Directors

From: Jordan Battani, Board President

Subject: District Board Committee Background Materials

In preparation for Board Committee assignments at the January 10, 2010, I have enclosed the following documents for your information and review prior to the meeting:

1. Finance and Management Committee Structure and Purpose
    a. Approved by the District Board on March 1, 2010
    b. Includes proposed revisions to the structure as redlined in the document. Revisions will be brought to the Board for approval on January 10, 2011.
2. Community Relations and Outreach Committee Structure and Purpose
    a. Approved by the District Board on March 1, 2010
    b. Includes proposed revisions to the structure as redlined in the document. Revisions will be brought to the Board for approval on January 10, 2011.
3. Current Committee Roster as of December 3, 2010

The Board Quality Committee Structure and Purpose in the process of being reviewed and approved by the committee and will be brought to the Board for final approval on January 10, 2011.

Alameda Hospital

PROPOSED REVISIONS

CITY OF ALAMEDA HEALTH CARE DISTRICT

Date: March 1, 2010

To: City of Alameda Health Care District Board of Directors

From: Jordan Battani, Chair – Finance and Management Committee
Deborah Stebbins, CEO

Subject: Recommendation to Accept the Finance and Management Committee Structure and Purpose

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Recommendation:

The Finance and Management Committee is recommending that the City of Alameda Health Care District Board of Directors approve the Standing Committee structure as outlined below.

1. Finance and Management Committee:

    a. Primary Purpose: The primary purpose of the Finance and Management Committee is to review and recommend the annual budget, review performance relative to budget, and review other aspects of the district's financial performance. The Committee shall also serve the function of reviewing the annual report from the Hospital's external auditor, including the annual presentation of audit findings. The committee may also review and advise regarding operational issues, management systems issues, management information systems, and other aspects of the district's overall operational management.

    b. Committee Composition and Voting Rights: The committee shall be comprised of the following members:

        i. Two members of the City of Alameda Health Care District Board of Directors both of whom shall be voting members of the committee. ~~The President of the City of Alameda Health Care District Board of Directors shall be an ex-officio, non-voting member of the committee.~~

        ~~i.~~ii. The President of the City of Alameda Health Care District Board of Directors shall be an ex-officio, non-noting

member, unless the President is serving as a voting member of the committee.

~~ii.~~iii. Two members of the Alameda Hospital Medical Staff both of whom shall be voting members of the committee.

~~iii.~~iv. Up to three at large members chosen for expertise needed by the district each of whom shall be voting members of the committee.

~~iv.~~v. The City of Alameda Health Care District Chief Executive Officer, Chief Financial Officer, and other hospital management as delegated, who shall not be voting members of the committee.

c. Terms: The committee shall be appointed annually.

d. Meeting Frequency: Committee shall meet monthly.

Background:

As follow-up from the February 3, 2010 District Board Meeting, the Standing Committees of the Board were asked to discuss the primary purpose, committee composition, voting membership, and meeting frequency and bring back a recommendation to the Board for approval. The committee, which is comprised of members of the Board and community along with key personnel from the Hospital, met on February 24, 2010. The Committee reviewed the structure as presented above and had neither recommendations nor additions to the format.

Alameda Hospital

PROPOSED REVISIONS

CITY OF ALAMEDA HEALTH CARE DISTRICT

Date: March 1, 2010

To: City of Alameda Health Care District Board of Directors

From: Rob Bonta, Chair - Community Relations Committee
Deborah Stebbins, CEO

Subject: Recommendation to Accept the Community Relations Committee Structure and Purpose

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Recommendation:

The Community Relations Committee is recommending that the City of Alameda Health Care District Board of Directors approve the Standing Committee structure as outlined below.

1. Community Relations Committee:

    a. Primary Purpose: The primary purpose of the Community Relations Committee is to develop a community engagement and outreach plan that supports the hospital's strategic plan and annual goals. The Committee advises the board on strategies and programs to enhance health care services to the community, increase the district's (hospital's) market share, effectively position the hospital for success based on information flow with the community and elected officials and support the fund-raising objectives of the Alameda Hospital Foundation.

    b. Committee Composition and Voting Rights: The committee shall be comprised of the following members:

        i. At least two members of the City of Alameda Health Care District Board of Directors all of whom shall be voting members of the committee. One of these members also shall be appointed to serve as the committee co-chair. The other co-chair will be an at large member from the community.

        ~~i.~~ii. The President of the City of Alameda Health Care District Board of Directors shall be an ex-officio, non-noting member, unless the President is serving as a voting member of the committee.

~~ii.~~iii. Up to three members of the Alameda Hospital Medical Staff all of whom shall be voting members of the committee.

~~iii.~~iv. Up to eleven at large members chosen for expertise needed by the district all of whom shall be voting members of the committee. At least one member at large shall also be a member of the Alameda Hospital Foundation Board.

~~iv.~~v. The City of Alameda Health Care District Chief Executive Officer, and other hospital management as delegated, who shall not be voting members of the committee.

~~v.~~vi. The Executive Director of the Alameda Hospital Foundation and the Director of Community Relations shall serve as staff to the Committee and collaborate with the Committee co-chairs on the preparation of agenda.

c. Terms: The committee shall be appointed annually.

d. Meeting Frequency: The committee shall meet at least quarterly.

Background:

As follow-up from the February 3, 2010 District Board Meeting, the Standing Committees of the Board were asked to discuss the primary purpose, committee composition, voting membership, and meeting frequency and bring back a recommendation to the Board for approval. The committee, which is comprised of members of the Board and community along with key personnel from the Hospital, met on February 23, 2010. The Committee discussed the direction and purpose of the Community Relations Committee going forward.

City of Alameda Health Care District
Current Committee Roster
12/03/2010

Community Relations and Outreach Subcommittee							
Board	Voting Rights	Physician	Voting Rights	Community	Voting Rights	Management	Voting Rights
VACANT (Rob Bonta), Co-Chair	X	James Kong, MD	X	Terrie Kurrasch, Co-Chair	X	Deborah Stebbins	Non-Voting
Mike McCormick	X	Jim Yeh, DO	X	Tracy Lynn Jensen	X	Louise Nakada	Non-Voting
Jordan Battani**	Non-Voting	Alka Sharma, MD	X	Brad Shook	X	Dennis Eloe	Non-Voting
				Bill Withrow	X	Tony Corica	Non-Voting
				Jim Franz	X		
				Stewart Chen, DC	X		
				Ann Evans	X		
				Jeptha Boone, MD	X		

Finance and Management Committee							
Board	Voting Rights	Physician	Voting Rights	Community	Voting Rights	Management	Voting Rights
Jordan Battani, Chair	X	Alka Sharma, MD	X	Ann Evans	X	Deborah Stebbins	Non-Voting
VACANT (Robert Bonta)	X	William Sellman, MD	X	Ed Kofman	X	Kerry Easthope	Non-Voting
				James Oddie	X	David Neapolitan	Non-Voting
						Mary Bond, RN	Non-Voting
						Kristen Thorson	Non-Voting

Board Quality Committee							
Board	Voting Rights	Physician	Voting Rights	Community	Voting Rights	Management	Voting Rights
Robert Deutsch, MD, Chair	X	Alka Sharma, MD	X	N/A		Deborah Stebbins	Non-Voting
VACANT (Leah Williams)	X	Joseph Marzouk, MD	X			Kerry Easthope	Non-Voting
Jordan Battani**	Non-Voting	Emmons Collins, MD or	X			Janet Dike, RN	Non-Voting
		Jim Yeh, DO	X			David Neapolitan	Non-Voting
						Mary Bond, RN	Non-Voting

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Alameda Hospital

CITY OF ALAMEDA HEALTH CARE DISTRICT

Date: December 13, 2010

To: City of Alameda Health Care District Board of Directors

From: Jordan Battani, Board President

Subject: Draft 2011 District Board Calendar

Please find attached a draft 2011 Meeting Calendar for District Board Meetings and the three (3) Board designated committees. Please review prior to the January 10, 2011 Board Meeting. This schedule will be brought back to the Board for final approval at the January 10, 2011 District Board Meeting.

In general, the meeting frequency is as follows:

District Board Meetings:	1st Monday of the Month – 6:00 p.m. (Exceptions: January, July and September – 2nd Monday of the Month)
Finance and Management Committee:	Last Wednesday of the Month – 7:30 a.m. (Exceptions: No December meeting)
Community Relations Committee:	4th Tuesday of the Month – 7:30 a.m.
Board Quality Committee:	3rd Wednesday of the Month – 7:30 a.m.

Cityof Alameda Health Care District
Draft 2011 Meeting Dates

DRAFT

	District Board	Finance & Management Committee	Community Relations Committee	Board Quality Committee
	First Monday of the Month	Last Wednesday of the month	4th Tuesday of the Month	3rd Wednesday of the month
	Closed Session & Open Session	Open Session	Open Session	Closed Session
	6:00 p.m. / 7:30 p.m.	7:30 a.m.	7:30 a.m.	7:30 a.m.
	Dal Cielo Room / Board Room	Dal Cielo Room	Dal Cielo Room	Board Room
Jan-11	Monday, January 10, 2011	Wednesday, January 26, 2011	Tuesday, January 25, 2011	Wednesday, January 19, 2011
Feb-11	Monday, February 07, 2011	Wednesday, February 23, 2011	Tuesday, February 22, 2011	Wednesday, February 16, 2011
Mar-11	Monday, March 07, 2011	Wednesday, March 30, 2011	Tuesday, March 22, 2011	Wednesday, March 16, 2011
Apr-11	Monday, April 04, 2011	Wednesday, April 27, 2011	Tuesday, April 26, 2011	Wednesday, April 20, 2011
May-11	Monday, May 02, 2011	Wednesday, May 25, 2011	Tuesday, May 24, 2011	Wednesday, May 18, 2011
Jun-11	Monday, June 06, 2011	Wednesday, June 29, 2011	Tuesday, June 28, 2011	Wednesday, June 15, 2011
Jul-11	Monday, July 11, 2011	Wednesday, July 27, 2011	Tuesday, July 26, 2011	Wednesday, July 20, 2011
Aug-11	Monday, August 01, 2011	Wednesday, August 31, 2011	Tuesday, August 23, 2011	Wednesday, August 17, 2011
Sep-11	Monday, September 12, 2011	Wednesday, September 28, 2011	Tuesday, September 27, 2011	Wednesday, September 21, 2011
Oct-11	Monday, October 03, 2011	Wednesday, October 26, 2011	Tuesday, October 25, 2011	Wednesday, October 19, 2011
Nov-11	Monday, November 07, 2011	Wednesday, November 30, 2011	Tuesday, November 22, 2011	Wednesday, November 16, 2011
Dec-11	Monday, December 05, 2011	No Meeting	Tuesday, December 27, 2011	Wednesday, December 21, 2011