



# BOARD OF SUPERVISORS

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RICHARD VALLE  
President  
Board of Supervisors

June 27, 2019

President Joe DeVries  
Alameda Health System Board of Trustees  
1411 East 31st Street, Oakland, CA 94602

Re: Follow-Up to June 17th Meeting Re: AHS FY20 Budget

Dear Board President DeVries,

I am writing to follow up on our June 17th meeting regarding Alameda Health System's FY20 Budget.

At Tuesday's Budget Hearings, the Board of Supervisors discussed the Board of Trustees' request for a two-month delay in the submission of a balanced FY20 budget. Our understanding is that delaying adoption of a final budget to August 31, 2019 will allow AHS and the County to work in partnership to assist AHS in balancing its FY20 Budget by identifying options to avoid cuts to critical services like Psychiatric Emergency Services (PES) as proposed by your CEO while continuing your mission of "Caring, Healing, Teaching, Serving All."

As you know, the County has engaged Toyon Associates to help us assess the financial situation at AHS. This engagement and valuable diagnostic check will help identify ways to improve financial performance at AHS and keep our valuable public health system in service to our community. The County Administrator and Health Care Services Agency Director will be sharing findings from this independent assessment with the Board of Supervisors in a timely manner so that it may help inform our assessment and discussions.

As discussed on June 17<sup>th</sup>, we feel strongly that the Board of Trustees should retain its own outside health care consultant and that this consultant should report directly to the Board of Trustees. One potential firm for your consideration is [Wipfli LLP / HSF Consultants](#), which previously provided the County with a financial assessment of St. Rose Hospital.

I appreciate the Board of Trustees' ongoing commitment to being good fiscal stewards of Alameda Health System. To this end, it is our expectation that the Board of Trustees will continue its efforts to make cuts, where possible, to non-vital health care services as soon as possible to begin closing the significant funding gap projected for FY20.

The County remains committed to working in partnership to identify viable, long-term solutions to AHS's fiscal challenges. Supervisor Chan and I look forward to continuing this discussion at our July 1<sup>st</sup> meeting.

Sincerely,



Supervisor Richard Valle

President, Alameda County Board of Supervisors

cc: Alameda County Board of Supervisors  
Susan Muranishi, Alameda County Administrator