



**JOINT MEETING OF
THE ALAMEDA COUNTY BOARD OF SUPERVISORS
AND
THE ALAMEDA HEALTH SYSTEM BOARD OF TRUSTEES**

Special Meeting

Tuesday, November 18, 2025

**ALAMEDA COUNTY TRAINING & EDUCATION CENTER
125 – 12th STREET, 4th FLOOR
HAYWARD/UNION CITY ROOM
OAKLAND, CALIFORNIA**

ALAMEDA COUNTY BOARD OF SUPERVISORS

David Haubert, President
Lena Tam, Vice-President
Elisa Márquez
Nate Miley
Nikki Fortunato Bas

ALAMEDA HEALTH SYSTEM BOARD OF TRUSTEES

David Sayen, President
Greg Garrett Vice-President
Alan E. Fox, Secretary/Treasurer
Lilavati Indulkar, M.D.
Donna Linton
Nicholas Moss, M.D.
Nely Obligacion
Rachel Richman
Sblend A. Sblendorio

The Board of Supervisors and Alameda Health System Board of Trustees welcomes you to its meeting and your interest is appreciated. In-person and remote observation and participation by members of the public is allowed at this meeting.

IN-PERSON PARTICIPATION: The meeting site is open to the public. All in-person participants must adhere to posted health and safety protocols while in the building. If attending in-person and you wish to speak on a matter, please fill out a speaker slip and submit it to the Clerk as soon as possible. Please give your name for the record prior to speaking. Items set for a certain time on the agenda may not be heard earlier than the time listed on the agenda and may not be called at exactly the time indicated on the agenda. NOTE: Only matters within the Board of Supervisors' and Alameda Health System Board of Trustees jurisdiction may be addressed. Time limitations shall be at the discretion of the President of the Board and the President of the Alameda Health System Board of Trustees.

REMOTE/TELECONFERENCE PARTICIPATION: Members of the public may observe and participate in meetings remotely via teleconference by following the instructions in the TELECONFERENCING GUIDELINES posted on-line at: https://alamedacountyca.gov/board/bos_calendar/documents/TeleconferencingGuidelines-SpecialMeeting.pdf

AUTOMATED TRANSLATED TRANSCRIPT: To view an automated translated transcript, or listen to an automated translated audio, of the meeting from English into multiple languages, please visit <https://attend.wordly.ai/join/ZHZT-8484> and select your preferred language from the drop-down menu.

Pursuant to Policy: (1) Signs that obstruct the view of meeting attendees are prohibited during meetings; (2) Demonstrations that disrupt the meeting are prohibited; (3) Each Board Member and Trustee may request one continuance of any item to a meeting date within two regularly scheduled meetings. If you have questions regarding the agenda, please call the Clerk of the Board's Office at (510) 208-4949.

If you require a reasonable modification or accommodation for a disability, please contact the Clerk of the Board at CBS@acgov.org or

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THE ALAMEDA HEALTH SYSTEM BOARD OF TRUSTEES
TUESDAY, NOVEMBER 18, 2025**

call (510) 208-4949 or (510) 834-6754 (TDD). Meetings are wheelchair accessible. If you require language interpretation services, please contact the Clerk of the Board.

Written public comments may be submitted online at <https://bos.acgov.org/public-comments/>. These comments will not be read during the public comment period. All written public comments routed the day before the meeting and prior to the conclusion of the meeting will be made part of the official record on file with the Clerk of the Board.

The agenda, reports and supporting documents are available for public inspection online at <https://bos.acgov.org/broadcast/> and in the Clerk of the Board's Office. Documents are available for public inspection at the Clerk of the Board Office, 1221 Oak St., Suite 536, Oakland, CA 94612 during normal business hours.

Levine Act — Campaign Contributions (Government Code Section 84308). The Levine Act (Government Code Section 84308) applies to certain Board of Supervisor proceedings involving a license, permit, or other entitlement for use. Under Government Code Section 84308, no Board member shall accept, solicit, or direct a contribution of more than \$500 from any party or their agent, or from any participant or their agent, while a proceeding involving a license, permit, or other entitlement for use is pending before the County or for 12 months after a final decision is rendered in that proceeding. Any Board member who has received a contribution of more than \$500 within the preceding 12 months from a party or their agent, or from a participant or their agent, shall disclose that fact on the record of the proceeding and shall not make, participate in making, or in any way attempt to use their official position to influence the decision. As required by Government Code Section 84308(e), any party to a covered proceeding before the Board is required, and any participant to such a proceeding is strongly urged, to disclose on the record of the proceeding any contribution, including aggregated contributions, of more than \$500 made within the preceding 12 months by them or their agent to any Board member. The disclosure must include the name of the party or participant and any other person making the contribution, if any; the name of the recipient; the amount of the contribution; and the date the contribution was made. The disclosure shall occur in the manner required by Government Code Section 84308 and any applicable state or local regulations, opinions, or policies. No party and no participant shall make a contribution of more than \$500 to any Board member during the proceeding or for 12 months after a final decision is rendered in that proceeding, and no agent to a party or participant shall make a contribution to a Board member in any amount during the same time periods. The foregoing statements regarding the Levine Act do not constitute legal advice, and parties and participants are urged to consult with their own legal counsel regarding the requirements of the law.

6:00 P.M.

AGENDA

- Welcome and Introduction President David Haubert and President David Sayen
- Budget and Financial Updates Alameda Health System Chief Financial Officer
 - Overview and Current Status
 - Federal HR-01 Potential Impacts
 - Net Negative Balance OverviewPUBLIC COMMENT
[Attachment](#)
[Attachment](#)
- Update on St. Rose Hospital Alameda Health System Chief Operating Officer
 - First Year Review and OutlookPUBLIC COMMENT
[Attachment](#)
- Operational Updates Alameda Health System Chief Executive Officer
 - Impact of federal policy changes
 - Capital Projects and FacilitiesPUBLIC COMMENT
Alameda County General Services Agency
Director

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- Update on Proposed Changes to Alameda Health System Governance Structure
PUBLIC COMMENT

County Counsel
County Administrator's Office

- Closing Remarks

President Haubert and President Sayen

Attachment

HR 1 and AHS Finances

Kim Miranda, Chief Financial Officer
Board of Supervisors/Board of Trustees Joint
Meeting
11.18.2025

HR 1 cuts Medicaid spending at a massive level that will impact AHS, our community, and the state

\$1 trillion nationwide cuts just to Medicaid—unprecedented in modern history

- Work requirements and other changes designed to slash Medicaid enrollment
- Cuts to financing methods relied on by safety net providers & entire health care industry

Human impact

- Congressional Budget Office estimates bill will lead to 10 million more Americans uninsured by 2034
- Center for Budget and Policy Priorities estimates 15 million

Cuts most impactful to AHS finances

Eligibility

- Requirement to work, study, or do other allowed activities 80 hours/month or **lose Medi-Cal**, from Jan. 2027
 - 10-25% cut to rolls possible based on other state experiences, still highly uncertain
 - Skipped or uncompensated care both reduce revenue in at least the tens of millions
 - Implementation questions are massive
- Re-verification from every 12 months to every 6 for many on Medi-Cal
- Many smaller eligibility cuts

Financing

- From Jan. 2028, 10% cuts per year to State Directed Payment programs which made up \$180M in this year's budgeted revenues for AHS
 - Could max out at 60% cuts or more to these revenues by 2030s
- Immediate changes (2025) to hospital fee (HQAF) and MCO tax

Other financing threats

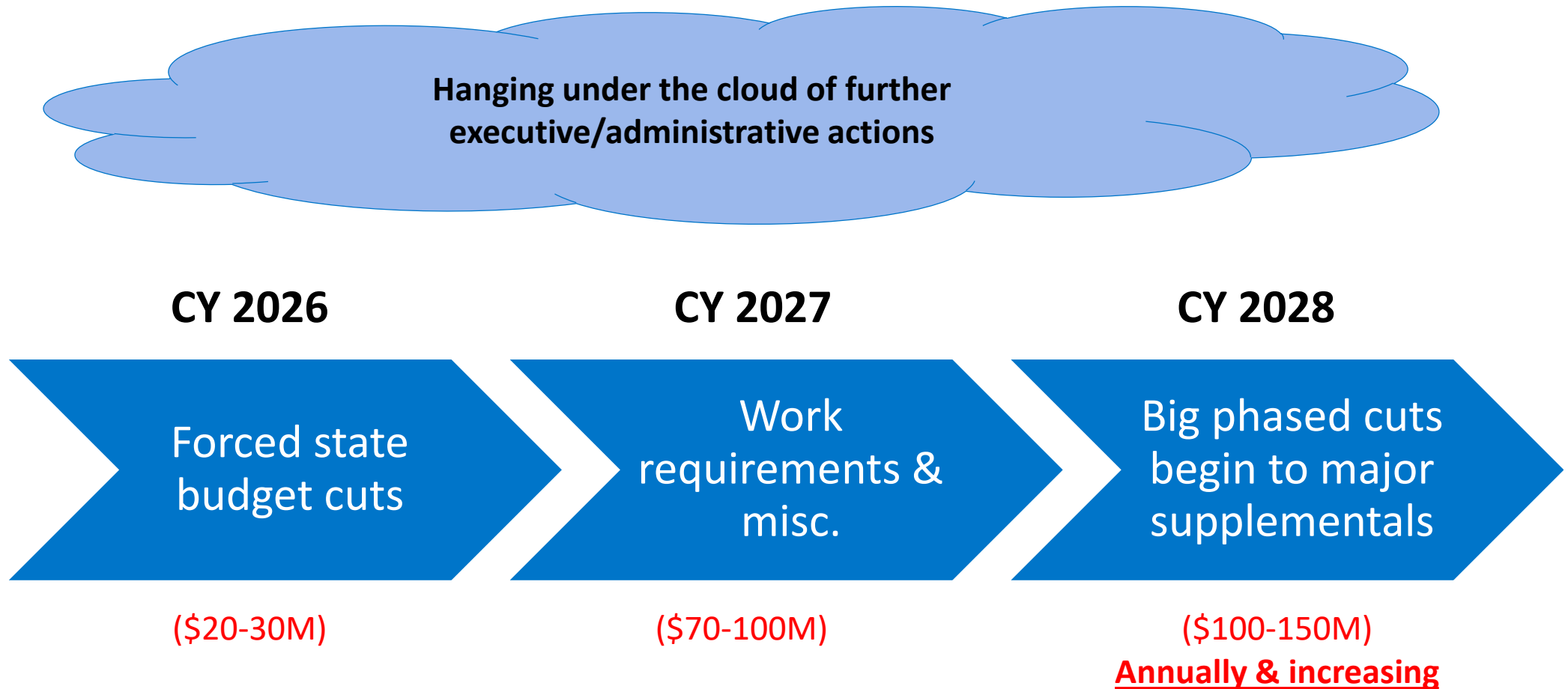
State budget cuts, partially in response to HR 1

- State passed Medi-Cal cuts in June for FY 2025-26 before HR 1 was factored into their projections
 - Enrollment freeze & PPS cut Jan. 2026 for certain population
 - \$30/mo. premiums from Jul. 2027
- More cuts are likely in FY 2026-27 budget, and they may take effect before Jul. 1
 - State needs HQAF/MCO Tax for budget and HR 1 affects those right now
- Alliance projects its enrollment to drop by 40,000 from Jul. 2025 to Jul. 2026
 - At least \$350M medical expenses – impact to AHS via HPAC OMS?

Federal lapses

- Cuts to Medicaid DSH, normally delayed for over a decade, went into effect Oct. 1, 2025
 - Additional \$60M/yr. possible if not remedied
- Enhanced subsidies for ACA exchange plans lapsing next year
 - Average Covered CA premium set to double
 - Could send more people back to us as uncompensated care

Overall Est. of HR 1 Impacts to AHS to Prepare For



Add: (\$60M)/yr. from this year if DSH cuts not rescinded

Cash Flow Implications

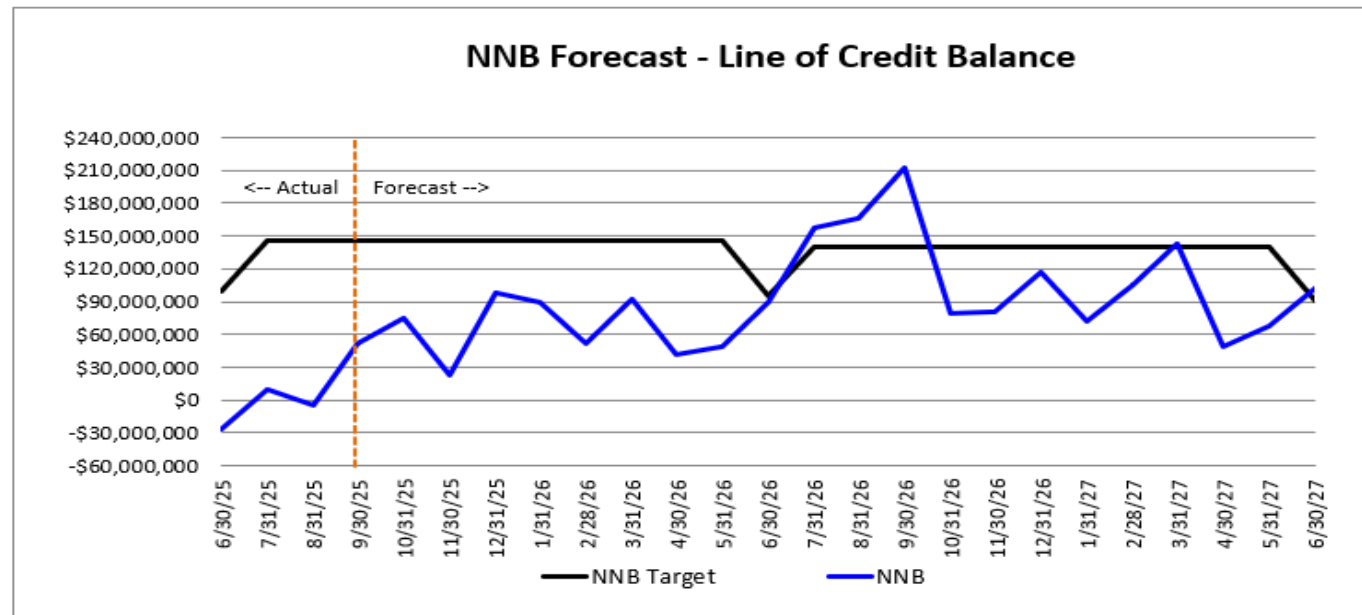
The system moves from a positive \$20M cash balance in 2025 to a (\$91.7M) deficit by 2026 and further down to (\$88.5M) by 2027, then collapses to (\$210.6M) in 2028.

AHS exceeds debt limits by over \$125M by 2028.

	PROJECTED 2025	BUDGET 2026	PROJECTED 2027	PROJECTED 2028	PROJECTED 2029	PROJECTED 2030
Earning Before Interest, Depreciation and Amortization (EBIDA)	\$ 55,496	\$ 25,455	\$ 37,257	\$ (25,585)	\$ (44,033)	\$ (57,991)
<i>Supplemental Program Timing</i>						
HPAC Amendment & AB85 Realignment	9,780	(39,990)	4,789	(45,600)	-	-
EPP	(39,547)	(32,184)	21,982	55	11,258	13,679
QIP	(9,643)	(1,698)	(16,501)	(25,059)	16,233	11,849
Other programs	37,286	(22,594)	(3,810)	4,023	(2,844)	(6,980)
Other Balance Sheet Timing	(12,727)	7,756	7,756	7,756	7,756	7,756
Cash From Operations	40,645	(63,255)	51,473	(84,410)	(11,630)	(31,687)
EPIC Financing Payment	(2,783)	-	-	-	-	-
Other arrangements (leases, software)	(8,086)	(8,340)	(6,621)	(3,988)	(3,692)	(3,692)
Committed Debt	(10,869)	(8,340)	(6,621)	(3,988)	(3,692)	(3,692)
Capital Projects	(20,035)	(29,271)	(30,000)	(22,000)	(22,000)	(22,000)
Capital Outlay	(20,035)	(29,271)	(30,000)	(22,000)	(22,000)	(22,000)
Interest income(expense)	(4,600)	(3,900)	(3,900)	(3,900)	(3,900)	(3,900)
Non-operating income	253	(156)	(156)	(156)	(156)	(156)
AHSF Support	795	668	-	-	-	-
Jaber	220	-	-	-	-	-
Other Activity	(3,332)	(3,388)	(4,056)	(4,056)	(4,056)	(4,056)
Capital Cost Transfer (pmt to County)	(7,503)	(7,600)	(7,600)	(7,600)	(7,600)	(7,600)
Capital Cost Transfer (pmt from County)	-	-	-	-	-	-
Capital Reserve Fund (pmt to County)	(7,000)	(7,000)	(7,000)	(7,000)	(7,000)	(7,000)
Capital Reserve Fund (pmt from County)	7,000	7,000	7,000	7,000	7,000	7,000
Total County Transactions	(7,503)	(7,600)	(7,600)	(7,600)	(7,600)	(7,600)
Cash Surplus/(Deficit)	(1,094)	(111,854)	3,196	(122,054)	(48,978)	(69,035)
NNB, Beginning Balance	21,227	20,133	(91,721)	(88,525)	(210,579)	(259,557)
NNB, Ending Balance	20,133	(91,721)	(88,525)	(210,579)	(259,557)	(328,592)
NNB Limit at June 30th	100,000	95,000	90,000	85,000	80,000	75,000
Under (Over) NNB Limit	120,133	3,279	1,475	(125,579)	(179,557)	(253,592)

Line of Credit (NNB) Forecast through 2027

- The Net Negative Balance (NNB) functions as Alameda Health System's only true emergency fund — we do not have other sources of cash or outside financing to draw upon when operating funds run short.
- The blue line shows that cash levels are projected to decline steadily through FY26 and fully depleted by the end of June. Without substantial cost reductions, AHS will run out of cash by of June, 2026.
- AHS needs to immediately identify \$235m of expense reductions for through the end of FY2027.



Our Common Charge

01

Minimizing the impact of the Big Bill / other cuts on our community – given our major role in enrollment, public information, etc.

02

Advocating together at all levels of government to avert and/or mitigate cuts by all means available

03

Working together to find internal cost reductions with our labor partners, knowing these cuts are at an existential scale & will most likely come into effect for at least some time

Attachment

AHS Next Steps and Partnership with Labor

Jet Chapman, Chief Human Resource Officer

Board of Supervisors/Board of Trustees Joint Meeting

11.18.2025

Workforce Planning During Fiscal Challenges

- Alameda Health System is committed to working with Labor as AHS is facing budget reductions and operational realignment
- Commitment to maintaining quality patient care and workforce stability to all extents possible
- Engage proactively with all labor unions and if there are any reductions provide proper notice based on provisions in the MOUs
- Work with labor partners to explore alternatives to minimize the impact to employees

Collaborative Solutions

- Explore voluntary options with Labor (ie, IRP, VRSP)
- AHS HR team will work to identify any open positions and/or redeployment opportunities within departments and across AHS if there are any reductions
- Consider temporary reassignments if possible
- Encourage shared cost-saving initiative ideas from Labor partners

Voluntary & Transitional Options

Early Retirement & Voluntary Separation Programs

- Offer limited-time **Incentivized Retirement Program (IRP)** for eligible employees – notices to be sent on or after Nov 17, 2025
- Create **Voluntary Resignation and Severance Program (VRSP)** - notices to be sent on or after Nov 17, 2025
- Provide financial and retirement counseling to support informed decisions
- Communicate timelines, eligibility, and application procedures as soon as possible and clearly
- HR will provide guidance on job search skills (i.e. Resume writing and interviewing techniques)

Next Steps for HR & AHS Leadership

- Provide notice to all employees regarding IRP and VSRP
- Notice Labor and schedule meetings as needed
- Prioritize retention of critical talent across AHS
- AHS is committed to work with our Labor partners through this process to ensure fairness and transparency

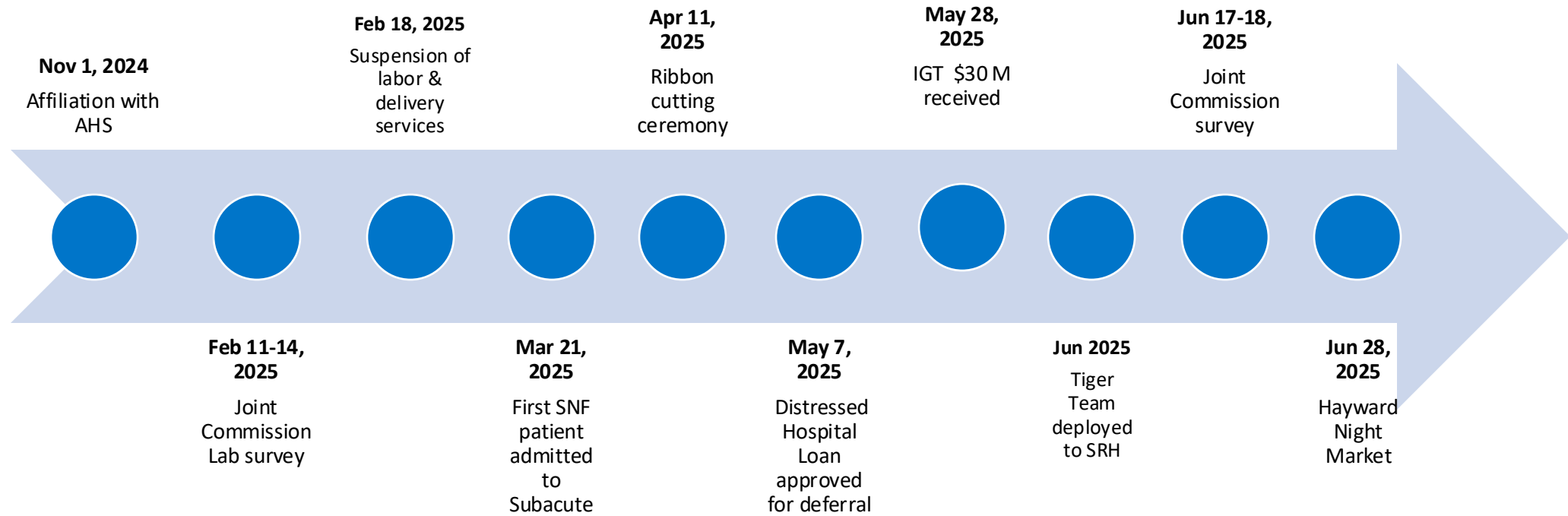
Attachment

St. Rose Hospital Affiliation

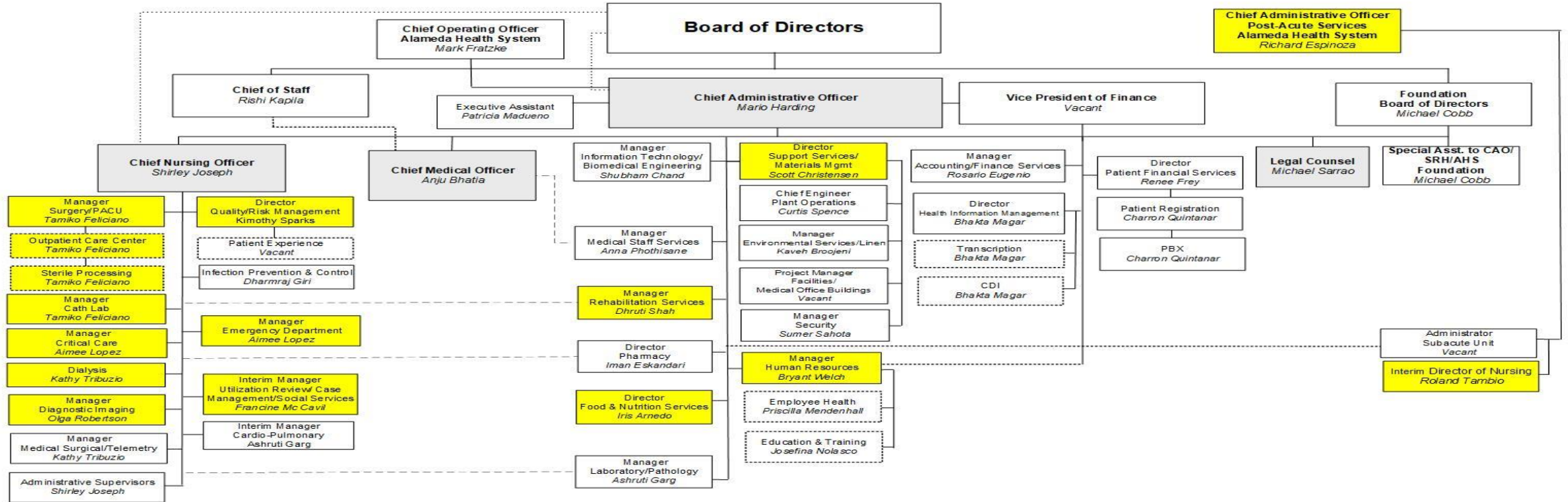
One year retrospective



Annual Milestones



ORGANIZATIONAL CHART



*Highlighted boxes represent leadership changes since the affiliation – 10 new leaders/0 vacancies

Legend:

Oversight	Direct	Clinical & Operational Oversight
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Updated September 2025

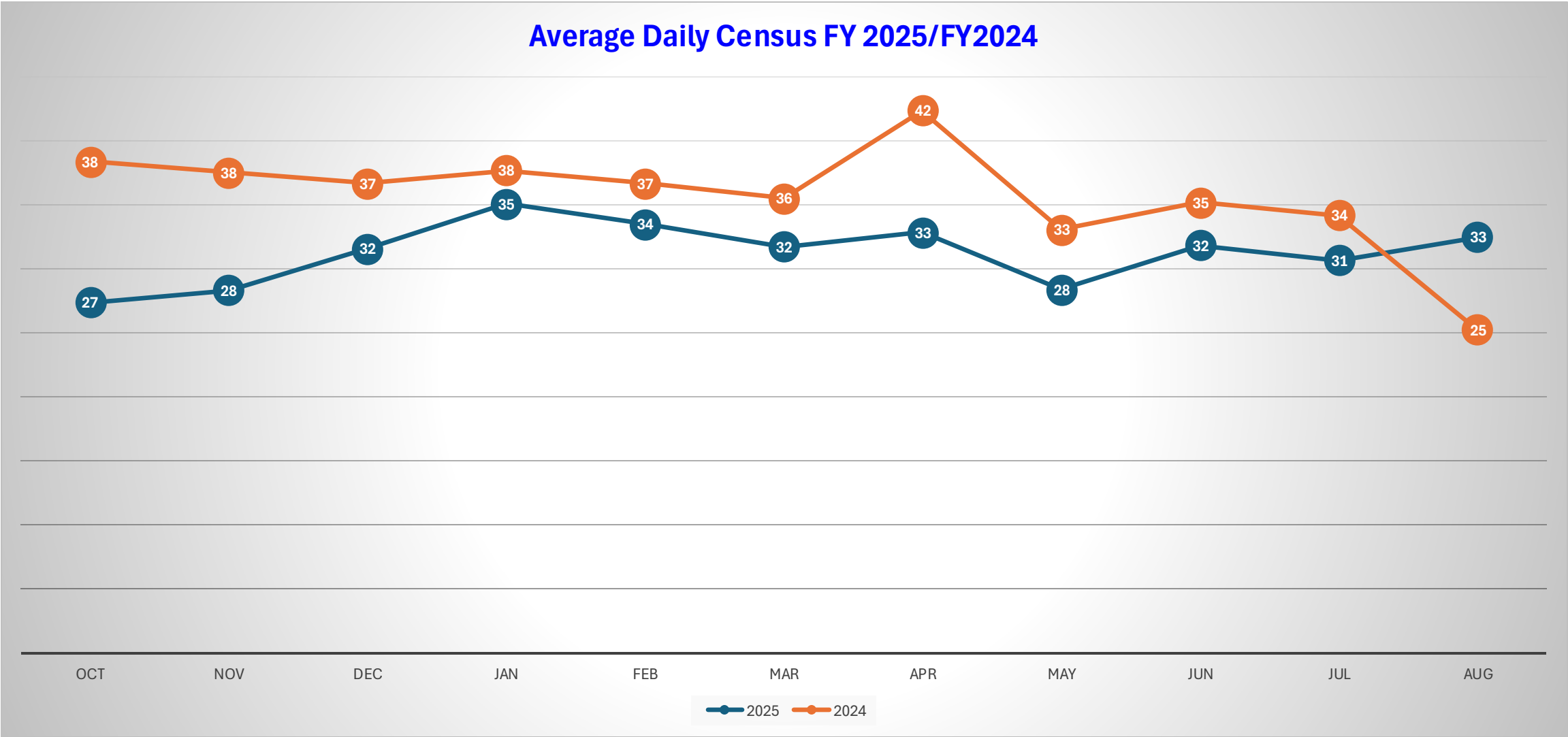
End of FY Financial

	August 31, 2025				Year-To-Date			
	Actual	Budget	Var (\$)	Var (%)	Actual	Budget	Var (\$)	Var (%)
Total Net Patient Service Revenue	\$9,614	\$8,742	\$871	10.0%	\$94,934	\$92,708	\$2,226	2.4%
Total Other Revenue	\$175	\$936	(\$761)	-81.3%	\$40,621	\$17,333	23,288	134.4%
TOTAL OPERATING REVENUE	\$9,788	\$9,678	\$110	1.1%	\$135,555	\$110,041	\$25,514	23.2%
Less: Operating Expenses	\$11,776	\$11,509	(\$267)	-2.3%	\$125,904	\$126,764	861	0.7%
EBITDA	(\$1,988)	(\$1,831)	(\$157)	8.6%	\$9,651	(\$16,723)	\$26,375	-157.7%
Total Non-Operating Exp/(Income)	\$385	\$382	\$3	0.8%	\$4,585	\$4,321	\$264	6.1%
Restr Donation - (AA Geropscych)	\$0	\$292	(\$292)	-100.0%	\$0	\$3,208	(3,208)	-100.0%
NET INCOME/(LOSS)	(\$2,372)	(\$1,921)	(\$452)	23.5%	\$5,067	(\$17,836)	\$22,903	-128.4%

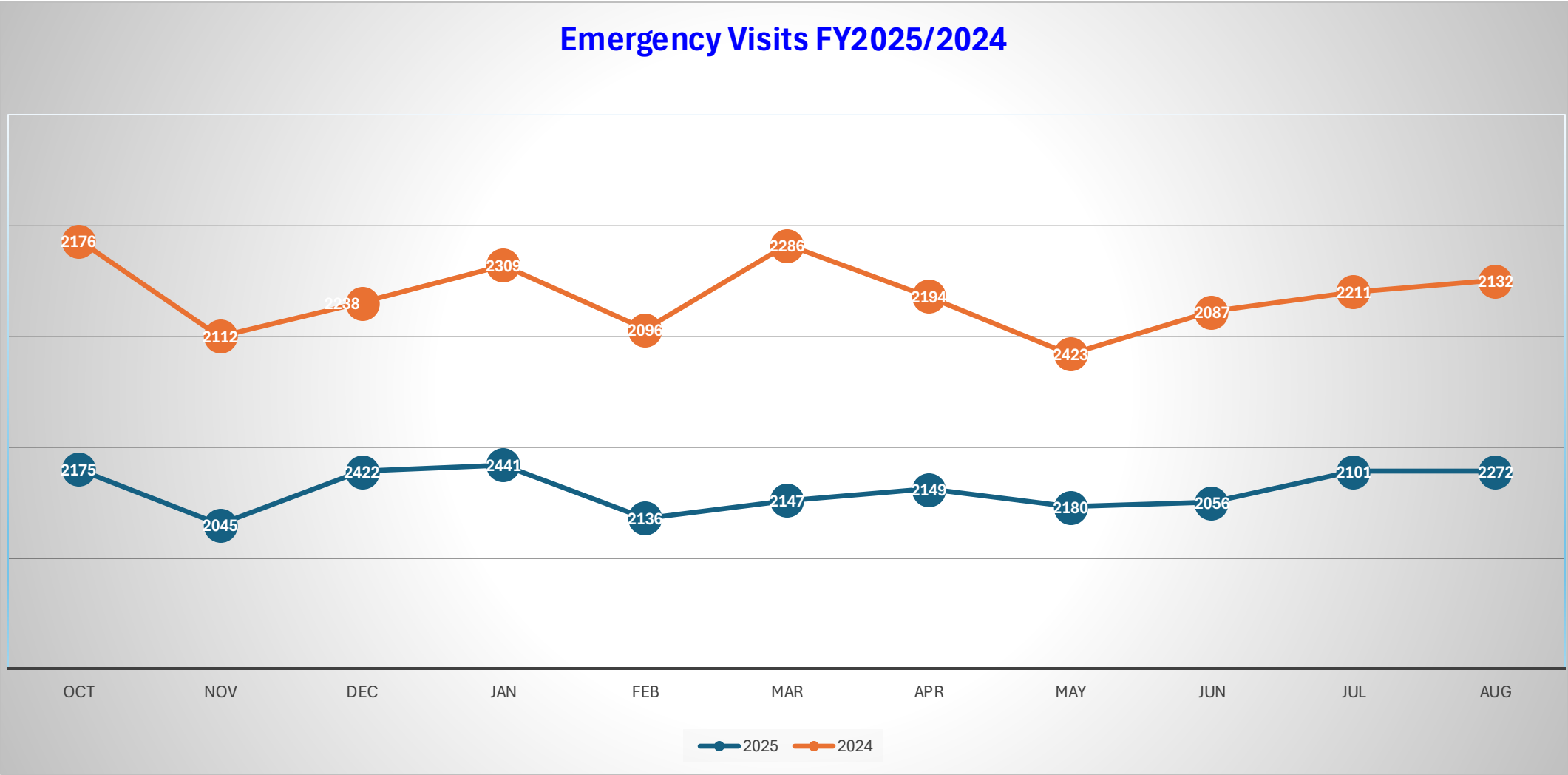
Quality - HCAHPS/Patient Experience

Description	FY 2024 (Before AHS Affiliation)	Q4 2024	Q1 2025	Q2 2025	FY 2025 YTD (After AHS Affiliation)
Likelihood to Recommend Hospital	70.9	72	75.8	76.9	73.6
Communication with Nurses	80.1	79.8	80.1	72.1	78.4
Communication with Doctors	77.7	82.4	76.3	69.8	77.5
Responsiveness of the Hospital Staff	69.9	76.8	71.4	65.8	71.4
Overall Hospital Ratings	73.3	71.4	75.2	62.0	69.8

Hospital Statistics (FY2025 vs. FY2024)



Hospital Statistics (FY2025 vs. FY2024)



Sustainability Strategies

- BHCIP Funding and Units
- Stanford relationship for campus/program development
- Cath lab development
- IT infrastructure support (switches) to support EPIC implementation

