

PUBLIC NOTICE

CITY OF ALAMEDA HEALTH CARE DISTRICT BOARD OF DIRECTORS

SPECIAL MEETING AGENDA

June 28, 2016

OPEN SESSION: 5:30 P.M.

Location:

Alameda Hospital (Dal Cielo Conference Room)
2070 Clinton Avenue, Alameda, CA 94501

Office of the Clerk: (510) 814-4001

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.

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| I. Call to Order (5:30 p.m. – Alameda Hospital, Dal Cielo Conference Room) | Kathryn Sáenz Duke |
| II. Roll Call | |
| III. Regular Agenda | |
| A. Discussion in regards to Alameda Health System / Alameda Hospital Payor Contracting Status and Strategy | |
| 1) Introduction | Kathryn Sáenz Duke |
| 2) Board Comments | All |
| 3) AHS Updates on Payor Contracting Status and Strategy | Delvecchio Finley, CEO
David Cox, CFO
Bonnie Panlasigui, CAO |
| • Market Analytics | |
| 4) Public Comments | |
| B. Action Items | |
| ✓ 1) Review and Discussion of Proposed Resolution by Robert Deutsch ENCLOSURE (PAGES 3-4) | Kathryn Sáenz Duke
Robert Deutsch, MD |
| ✓ 2) Review and Approval of the FY 2016-2017 Parcel Tax Budget ENCLOSURE (PAGE 5) | Bonnie Panlasigui, CAO |
| C. District Updates & Operational Updates INFORMATIONAL | |
| 1) 4 th of July Parade Update | Kristen Thorson |

✓ Included in the PDF posted on June 17, 2016

✓ Included in PDF posted on June 22, 2016

CLICK ON THE **ENCLOSURE** LINK TO GO DIRECTLY TO THE AGENDA ITEM MATERIALS IN PDF OR ADDENDUM

IV. General Public Comments

V. Board Comment

VI. Adjournment

Meeting Calendar 5:30 PM Open Session Dal Cielo Conference Room Alameda Hospital
August 1, 2016
October 3, 2016

CITY OF ALAMEDA HEALTH CARE DISTRICT

MEETING DATE: June 28, 2016

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

FROM: Kathryn Sáenz Duke, President

SUBJECT: Resolution Proposed by Director Robert Deutsch

At the June 6, 2016, Alameda Health System (AHS) updated our District Board on the ongoing insurance contracting issue, which has been discussed at previous board meetings as a significant concern to us and others in our District. The Chief Financial Officer of AHS informed us at that meeting that AHS was in discussion with most of the commercial insurance companies important to Alameda Hospital, including Anthem, Aetna, Cigna, and Blue Shield. He also reminded the Board that most people in Alameda are not financially affected by the lack of commercial contracts due to ongoing contract negotiation activities. These people have publicly financed insurance coverage (Medicare or Medi-Cal), or come to Alameda Hospital for emergency care, or have other sources of payment. However, a number of longtime Alameda Hospital users continue to find themselves “out of network” while AHS strives to move our community’s hospital toward better financial health by securing appropriate compensation from the large commercial companies most important to our hospital. This is a significant concern to our Board.

Also at the June 6 meeting, Director Robert Deutsch, MD distributed copies of a resolution he had drafted in response to the ongoing lack of resolution of contract negotiations with several commercial insurance companies. After the board had an opportunity to read his document, Director Deutsch moved to adopt the proposed resolution; the motion was seconded by Director Meyers and followed by comment and discussion from all Board members. Several board members expressed their concerns about the ongoing implications of large commercial insurers failing to reach agreement with AHS. They also expressed concern about approving Director Deutsch’s resolution without having made that document available for public review and discussion prior to the meeting. After discussion, the Board voted and the motion failed, 1-4. At the same meeting, the Board unanimously agreed to call a special meeting to discuss the contracting issue further with AHS and to hear comments from any interested members of the public.

Director Deutsch has revised his June 6, 2016 resolution; the updated version is presented to the Board for review and discussion at the June 28 special meeting.

DRAFT
Resolution of the City of Alameda Health Care District
Special Board Meeting June 28th, 2016

Whereas, many citizens of Alameda are long-term supporters of the hospital by virtue of their utilization of hospital services, volunteering their time and making charitable donations,

Whereas, all residents of Alameda support the operation of Alameda Hospital through an annual parcel tax and a countywide sales tax,

Whereas, many residents of Alameda, who have depended upon the hospital and its services are now unable to access healthcare in their community due to insurance contracting issues,

Whereas, many citizens of Alameda are now expressing anger and frustration that they cannot use, or believe they cannot use, Alameda Hospital services, because of insurance contracting issues,

Whereas, almost all Alameda physicians are now expressing anger and frustration that they must refer many patients off-island for necessary medical services because of insurance contracting issues,

Whereas, the future of Alameda Hospital is in jeopardy if an increasing number of Alameda residents cannot access medical services here because of insurance contracting issues,

Whereas, the mission statement of the City of Alameda Healthcare District includes oversight of the operation of Alameda Hospital,

Whereas, the mission statement of Alameda Health System is "Caring, Healing, Teaching, Serving *All*,"

Resolved:

The City of Alameda Health Care District Board deplores this current state of affairs, wherein, Alameda residents cannot use Alameda Hospital services because Alameda Health System has cancelled contracts with major insurance health plans, and requests the CEO of Alameda Health System to direct his administration to promptly re-establish those contracts within one month.

Alameda Health District - Fiscal 2016 Budget Recommendation		Fiscal 2015 Budget	Fiscal 2016 Budget	6/3/2016	6/28/2016
				Fiscal 2017 Proposed	Fiscal 2017 Proposed
1	Estimated parcel tax receipts	\$ 5,784,199	\$ 6,003,078	\$ 5,957,818	\$ 5,957,818
3	District budget allocation	613,527	397,630	611,998	611,998
	Allocation to Alameda Health System	\$ 5,170,672	\$ 5,605,448	\$ 5,345,820	\$ 5,345,820
AHS Anticipated Uses of Funds					
4	Repayment of loan plus accrued interest	1,598,438	-	-	-
5	Repayment of AH Foundation Loan	405,000	-	-	-
6	Facilities Projects	231,038	2,870,000	1,000,000	1,000,000
7	Capital Equipment	1,000,000	2,000,000	1,000,000	1,000,000
8	Accounts Payable Reduction	1,936,196	-	-	-
9	Seismic Retrofit	-	-	2,345,820	1,845,820
10	Long Term Capital Reserve	-	735,448	1,000,000	1,000,000
11	Program Development	-	-	-	500,000
12	Operating Support	-	-	-	-
13	Total Anticipated Uses	\$ 5,170,672	\$ 5,605,448	\$ 5,345,820	\$ 5,345,820
		\$ -	\$ -	\$ -	\$ -

Prepared By: Alameda Health System

Date: 6/22/16