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Doctors set to receive shot of cash

SAN PABLO: Short-term infusion of funds, 'joint powers' panel part of plan for ailing hospital; layoffs still on tap

By Tom Lochner
CONTRA COSTA TIMES

Contra Costa County officials will announce today a tentative plan to save Doctors Medical Center San Pablo.

The plan -- crafted over several weeks of high-level talks involving state and federal legislators and officials from the county, the West Contra Costa Healthcare District and several labor unions -- calls for a short-term cash infusion of "several million dollars" from the county and formation of a joint powers authority, with the county holding a majority of the seats.

The money could include some federal funds allocated through the state, said county Supervisor John Gioia, a principal author of the plan.

In a separate transaction, the health care district, which owns the hospital, would "reallocate" to the county money from the \$2.6 million the district collects annually in property taxes, Gioia said.

"The county's general fund would not be at risk," he said.

About \$5.6 million a year the health care district raises from a \$52-a-year parcel tax has not figured in the discussion, at least so far, Gioia said.

Gioia and county Health Services Director Dr. William Walker will present the plan, which is still in the conceptual stage, to the county Board of Supervisors today. Gioia said he hopes the board will instruct county staff to work on the details and report back to the board next week, with a vote following soon after.

Doctors CEO Irwin Hansen said Friday that without an immediate cash infusion, the hospital will cease operations by Oct. 27.

"I'm feeling optimistic," said Gioia, who set up weeks of talks between often-antagonistic parties.

Many legal issues still need to be sorted out, Gioia cautioned.

The hospital, meanwhile, still plans to issue layoff notices to more than 300 employees, or nearly a third of the workforce. The notices originally were due to be completed last week, but many were put off until this week after talks with several unions were postponed, Doctors officials said Friday.

The health care district filed for bankruptcy Oct. 1.

The tentative plan to save Doctors had a less-than-auspicious prelude Friday, when the health care district board bickered over a proposal by board member Deborah Campbell to reorganize. Campbell accused Chairwoman Beverly Wallace and board member Nancy Casazza of forming a two-member clique that withholds information from colleagues, a notion Wallace denied.

After Wallace repeatedly ignored Campbell's requests to speak, exasperated board member Desmond Carson exclaimed, "Would you let her talk, please?" as the audience erupted in applause.

The matter never came to a vote as members differed whether it should go to closed session; a vote to consider it on an urgency basis in closed session fell short of the four-fifths requirement.

After a few more testy exchanges between Campbell and Wallace, hospital housekeeper Margarita Muñoz asked, "How can we keep this hospital open ... if you guys don't get along?"

Later, Hansen presented his latest business model, which envisions some kind of affiliation with another health care organization. Two possible candidates, Kaiser Permanente and Summit Medical Center, have declined, he said.

The latest plan contains downsizing measures that have largely been carried out, including the elimination of several departments and vacating the Pinole satellite campus. Hansen's plan also calls for a "recrafted" business with lower costs, including salaries and benefits.

Suzanne Sultan, a delegate of SEIU United Healthcare Workers-West, reiterated a call by her union and other unions representing Doctors employees for Hansen's ouster or resignation.

On Monday, SEIU Administrative Vice President Dana Simon modified that call somewhat.

"Clearly, we're unhappy with the present administration, but that issue is not our emphasis right now," he said.

Simon praised the county rescue plan as "smart and creative."

"Our emphasis is supporting this county plan," he said.

Said Gioia: "The good news is, everybody is setting aside turf and focusing on the objective of keeping the hospital open, and the good of the community.

"I'm beginning to see some light at the end of the tunnel."

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IF YOU GO

'THE PLAN TO SAVE DOCTORS HOSPITAL'

WHAT: Informational presentation on the crisis at Doctors Medical Center in San Pablo by county Health Services Director Dr. William Walker.

WHEN: 9:45 a.m. today

WHERE: Contra Costa County Board of Supervisors, 651 Pine St., Martinez

IF YOU GO

'THE PLAN TO SAVE DOCTORS HOSPITAL'

- **MONEY:** The county would arrange a short-term cash infusion of "several million dollars" via a financial mechanism yet to be determined.
- **NO RISK TO COUNTY GENERAL FUND:** The health care district would reallocate some future property tax money to the county.
- **JOINT POWERS AUTHORITY:** Of the county and the health care district, with the county holding a majority of seats.
- **COMMUNITY EDUCATION AND ENGAGEMENT:** Process involving residents, doctors, hospital employees and unions.
- **STRUCTURAL CHANGES:** To the hospital's scope of services in consultation with the community.
- **INVOLVEMENT OF OTHER PARTNERS:** Including health care providers and financial institutions.