

Hospital Closure Could Hurt All, Gioia Tells Chamber



Contra Costa County Supervisor John Gioia speaks to the El Cerrito Chamber of Commerce about the importance of passing Measure J, a parcel tax designed to save Doctors Medical Center

October 19, 2011

By Charles Burress

If voters don't approve a \$47-a-home annual parcel tax, the main hospital and emergency room in West Contra Costa County will likely close, increasing health risks and burdens for all residents in the region, County Supervisor John Gioia said Wednesday.

County Supervisor John Gioia warned Wednesday that a failure to pass Measure J could spell the end for Doctors Medical Center, the main hospital and emergency room in West Contra Costa County, which in turn could mean delayed emergency responses for all area residents no matter what health plan they have.

Measure J is a parcel tax on a mail-in ballot that's now being mailed out to West County voters. Designed to raise \$5 million to help rescue Doctors hospital, it would add \$47 per home per year and higher amounts for commercial property.

If Measure J doesn't pass

"Without the \$5 million, the hospital would most likely close next year," Gioia told the [El Cerrito Chamber of Commerce](#) at its monthly luncheon, held Wednesday at [Mira Vista Golf and Country Club](#). Located in San Pablo and formerly named Brookside Hospital, the center first began operations more than 55 years ago.

Even those who don't normally seek medical care at Doctors would be affected by a closure, said Gioia, who chairs the governing board for the hospital. West County residents who belong to Kaiser or other health plans are taken to Doctors if they have a heart attack or a stroke, for example, he said.

"If you call 911 and live in West County, chances are you're going to go to Doctors hospital," he said. "Sixty percent of the emergency room visits here in West County go to Doctors hospital. That's 40,000 patient visits a year."

In addition, he stressed, if Doctors closes, ambulance transport times and waiting periods at other hospital emergency rooms such as Kaiser in Richmond or the county hospital in Martinez will become longer. A health department study found that closure of Doctors would result in a "critical shortage of emergency room beds," he said.

"That leads to negative medical outcomes," Gioia said. "That's not a good thing. You get emergency services later than you would otherwise get them."

Causes of hospital's financial problems

Doctors hospital runs an average annual deficit of about \$18 million a year, in large part because about 90 percent of its patients can't pay the full cost of services.

"Eighty percent of the patients who use Doctors hospital are Medi-Cal and Medicare patients, and the reimbursement rate for that is not enough to really cover the cost of service," he said. "Ten percent are totally uninsured. And 10 percent are commercial pay."

In the past, the shortfall has been made up by a combination of sources, including about \$12 million from the state, \$4 million from Kaiser and \$1 million from John Muir Medical Center in Walnut Creek, he said. Kaiser and John Muir contributed out of the realization that keeping Doctors open averts the larger burden that would otherwise fall on them, he said.

The state, however, has reduced its support from \$12 million down to about \$1 million, precipitating the present crisis, he said.

The rescue plan consists of the \$5 million from Measure J, and an additional \$5 million in restructuring of internal operations and employment conditions, he said. Another \$2 million is anticipated in debt refinancing made possible by a new state law sponsored by state Senator Loni Hancock, and the remaining \$6 million would come from partnerships with other hospitals, somewhat like those of the past with Kaiser and John Muir, he said.

If voters approve the tax, homeowners would pay \$47 a year, on top of an existing \$52 annual parcel tax approved by voters in 2004 to keep the Doctors open. Apartment building owners, business owners and industrial property owners would pay from \$282 to \$940 per parcel per year, depending on parcel size. The tax would take effect in July, 2012 and would be lifted if Doctors closes.

Ballots must be received by the Contra Costa County Elections Division by 8 p.m. on Nov. 15. They can be mailed to the elections office or dropped off in person at the elections office or at special ballot return centers on Election Day in Hercules, Richmond or San Pablo. More information on voting and returning ballots is available in the ballot packet and on the Election Division's [web site](#).

County too suffering financially

Gioia also spoke briefly about Contra Costa County's ability to fund the sheriff's department and its many other services, saying it has declined because of a significant drop in revenue, Gioia said.

"Over the last three years, our general fund revenue, which is what we collect in property taxes, is down 10 percent," he said. "It's down three years in a row. That has never happened, even during the Great Depression."

Many counties across the state are suffering to varying degrees from a drop in property values, and Contra Costa revenues were affected especially by the large number foreclosures, he said. "We're one of the hardest hit counties in the state," he said.