## CONTRA COSTA TIMES

## **Doctors Medical Center seeking partner** to keep its doors open

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Seeking to save an important community institution, leaders of Doctors Medical Center in San Pablo are discussing a partnership with Avanti Hospitals in Southern California to keep the doors open at the financially struggling hospital.

Doctors, a crucial part of the health care safety net in western Contra Costa County, continues to run a deficit of about \$17 million annually, which means it cannot continue without changes, its leaders said this week.

"We have to find a partner," said Eric Zell, who heads the hospital's governing board. "We are not going to be sustainable as a stand-alone hospital.

"Stand-alone hospitals are either going to close, or they're going to be part of something bigger," he said. "We are still in a very, very difficult financial state."

Rumors about possible management changes have some hospital employees worrying about what it might mean for them.

Details about how a partnership would work remain sketchy, but Zell and John Gioia, vice chairman of the hospital board, said there is no plan to sell the hospital.

"The health care board would continue to be involved in the governance of the hospital," Gioia said.

Gioia confirmed the talks with Avanti but stressed that they are preliminary.

"What partnership means hasn't been defined," he said. "These discussions take a long time. Whether they reach the form of an agreement has yet to be determined."

Doctors' leaders have also talked to other organizations, but are focusing on Avanti at this point, Gioia said. He noted that Doctors' managers plan to travel to Southern California to visit Avanti's hospitals.

Doctors operates the only full-service emergency department along the Interstate 80

corridor between Berkeley and Vallejo.

It serves large numbers of uninsured patients and low-income people on Medi-Cal and for years has struggled to survive.

It declared bankruptcy in 2006 and has remained open only because of millions of dollars donated by Kaiser Permanente and John Muir Health, as well as parcel taxes approved by voters in its public hospital district.

Avanti leaders declined to comment. But according to its website, the firm focuses on delivering cost-effective care in underserved areas, much as Doctors' does.

Avanti operates four hospitals in Southern California: Memorial Hospital of Gardena, East Los Angeles Doctors Hospital, Coast Plaza Hospital in Norwalk and Community Hospital of Huntington Park.

Gioia noted that one big difference between the firm's operations in Southern California and a possible partnership is that Avanti owns its four hospitals, while it would be merely a partner at Doctors.

The board is seeking a partner that can help improve Doctors' financial bottom line and not just manage the hospital, Zell said.

In November 2011, voters showed their support for Doctors by approving Measure J, a \$47 annual parcel tax. But that raises only about \$5 million a year and fills just part of the funding gap.

"We knew that Measure J was not going to completely solve our problem," Zell said. "We still have the same problem that we've always had."

Any tentative agreement about forming a partnership would be brought to the board for a public discussion, Gioia said.

"We've got to make some important decisions within the first six months of the year," Zell said. "We have to make sure we've got the dollars in place. We want this hospital to remain as a service for this community."

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