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San Pablo: County health officials announce plan for downsized hospital

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SAN PABLO -- Hoping to open new possibilities for saving at least a portion of Doctors Medical Center San Pablo, health care board officials announced Monday they would rescind their notice of closure to county health officials and instead pursue a plan to at least sustain the hospital's 25-bed emergency department, the largest in West Contra Costa County.

"This buys us some time," said county Supervisor John Gioia. "We are pursuing multiple tracks to find the best solution."

The plan, revealed Monday at a town hall meeting attended by more than 100 people, includes asking the county Board of Supervisors on June 17 to approve a \$6 million loan against future property tax revenues to the health care district, Gioia said. That funding would sustain the hospital for about four months while health care district officials continue to appeal to other area hospitals and private foundations for funding for a "more sustainable model," Gioia said.

At the same time, the board has commissioned a poll gauging voter support for a countywide sales tax hike to fund public safety and public health-related services that could save the hospital, which runs an annual operating deficit of about \$18 million due to a poor payer mix.

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"DMC suffers as a direct result of the nature of the population it serves, the elderly and the indigent," said hospital CEO Dawn Gideon. Most of the 40,000 people who flock to DMC's emergency department each year are covered by MediCare and MediCal, which pay low reimbursement rates. Better paying commercially insured patients in the area go to Kaiser Richmond and other regional hospitals.

The Affordable Care Act, which includes deep cuts to MediCare reimbursement rates, has exacerbated the problem, Gideon said, costing the hospital another \$2.8 million this year.

"Each year DMC falls further behind," Gideon said.

Hospital officials are hopeful that the new plan, which could include significant reductions in hospital capacity or maintaining only a free-standing emergency room, will bring new funding to the table, particularly from other area hospitals that would be inundated with thousands of low-paying patients if DMC closes.

"We have a high degree of confidence that we're going to have some success," with the new plan, said West County Healthcare Director Eric Zell.

But nurses and doctors at DMC, who have held their own town halls in recent weeks and suggested they will take pay cuts to help save the hospital, were quick to decry any plan that would include deep cuts in services offered by the hospital.

"It's unacceptable," said nurse Maria Sahagun. "Without the heart attack center and other services, people will still die."

While Gioia acknowledged that a smaller hospital or free-standing emergency room would include "significant cuts" in DMC's 900-person workforce, he said the possibility had to be explored.

"The most possible outcome is a scaled down version of the hospital," Gioia said.

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Monday's meeting at San Pablo City Hall was held by the Contra Costa Health Services' Emergency Medical Services Division as part of the legally-mandated process initiated whenever changes to hospital emergency services are proposed. It follows the failure of Measure C last month, a parcel tax aimed at saving the hospital that failed to get the two-thirds majority of voters required by state law. Two smaller parcel taxes were approved by voters in recent years, but those only narrowed the yawning deficit.

Several residents and local political officials spoke out, urging the county to do more to sustain the hospital in its current form.

Many had their own stories of family and friends who suffered heart attacks and other life-threatening emergencies and were treated at DMC over the years. Another common refrain was that the hospital's struggles were typical of a county they said placed a low priority on the public health services to residents in West County, which is poorer and more ethnically diverse than other parts of the county.

The hospital is the lone provider of advanced cardiac care for heart attack victims in West County, and its closure would leave the area with only 15 of the county's 242 emergency room beds.

"I hate to say this, but I know that if this was going on in Orinda, this wouldn't be happening," said Richmond Vice Mayor Jovanka Beckles. "A solution would be found."

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