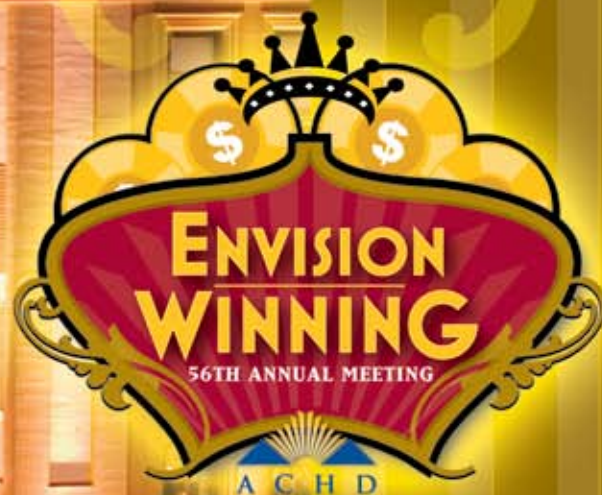


A Publication of the Association of California Healthcare Districts



Connection



**IMAGINE
YOURSELF
HERE!**

**ACHD 56th
Annual Meeting
Sept. 11-13, 2007
U.S. Grant Hotel
San Diego, CA**



CEO Commentary

The central truth arising from any examination of the personal essence of leadership is that *to be a leader...you must first want to be one*. Even so, without the ability to inspire others to follow, the personal desire to lead is of limited value.

ACHD Staff

ACHD provides a variety of services to our Member Districts, and we welcome the opportunity to be of assistance to you. Please contact us with questions, comments, or concerns, as well as with news items and suggestions for articles in the *Connection*.

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We still debate the derivative question—whether great leaders are born or made—that has divided philosophers for more than 4,000 years. There is little doubt that the visible qualities of leadership—authority, responsibility, dedication, the respect of others—can be learned and refined by all who seek to do so. However, the more ethereal qualities of leadership—great vision, courage, charisma, certainty of purpose—may arise in some substantial measure from our individual neurology and from the indefinable sense of spiritual purpose.

In June 2007, at the ACHD Leadership Program in Sacramento, District Trustees in their first term and Trustees with many years of experience gathered to examine and reflect on public leadership. The participants shared their experiences: significant personal enrichment, the tangible advancement of community health, and the acceptance of public responsibility that are inherent in District leadership.

As in 2005, the biennial gathering of these new and senior District Trustees was given outstanding reviews by virtually every participant. The emotional bond of shared purpose that arose among these leaders is something rare in these days of cautious engagement. The easy sense of kinship and shared purpose that now flows through the District leaders who come together for the ACHD Annual Meeting has also become the emotional energy that powers our Leadership Program.

With the days of mid-summer already upon us, the focus of our Association shifts to San Diego and the 56th ACHD Annual Meeting. By virtually every account, the 2006 Annual Meeting was the best and the best attended in our history. Once again,

we are planning an enriching experience for all who attend. This is a gathering of District leaders who each seek to be better informed and freshly inspired. We urge you to make early plans to be in San Diego on September 11, 12 and 13. In these complex and fluid times for health care, everyone should attend the Annual Meeting this year.

In determining that the words “*Envision Winning*” will serve as the signature phrase for the ACHD 56th Annual Meeting, we are seeking to reinforce the broader political vision and the embracing of entrepreneurial risk that characterize every successful Health Care District. We will examine and analyze the competing political initiatives that will reshape California healthcare and the future of our Districts. We should make no mistake in this...whatever their charisma or great vision...effective leaders need to stay informed. There is so much in play...and there is so much to learn.

We already feel the tangible excitement building around this upcoming gathering of District leaders. The newly restored and strikingly beautiful U.S. Grant Hotel in San Diego will provide a grand location for the 2007 Annual Meeting. While honoring its proud history, the owners of the U.S. Grant have invested substantial resources and talent in creating a successful new business. With the U.S. Grant providing the inspiring background, every District leader will be free to find greater knowledge and wisdom in this historic place. ▲

Ralph Ferguson
Chief Executive Officer



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Key in ACHD Leadership Program*



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Comments from the Chair

On behalf of the ACHD Board of Directors, I strongly encourage you to attend our 56th Annual Meeting scheduled for September 11-13. We are all very excited about meeting at the beautiful U.S. Grant Hotel in San Diego for nearly three days of learning, networking and great fun.

At the capitol, ACHD has become a voice of recognition representing the concerns of all Health Care Districts. At the ACHD Annual Meeting you'll learn all about what ACHD has been doing on behalf of Health Care Districts. If you've not yet attended one of our Annual Meetings, you'll be surprised at the level of commonality that we all share. This commonality provides purpose for the Association, and gives guidance as to how ACHD can assist Health Care Districts in their efforts to succeed.

Through the shared stories from District leaders, other once failing Districts have

taken on stronger leadership roles and implemented some of the new ideas they heard about at ACHD's Annual meetings. As a result, these Districts have experienced significant financial gains and are no longer just "trying to survive." We have been inspired by innovative leaders, motivated by new ideas, and have learned from others' experiences. That which we have gained by attending the ACHD Annual Meeting has made

our efforts worthwhile and our time more valuable.

Our 56th Annual Meeting promises you diverse opportunities for learning and having fun. One of ACHD's goals is to provide a learning opportunity on spotlight key issues that are affecting your District and your community. Presentations this year will focus on maximizing profitability, eliminating health disparities in your community, developing a (crises) public relations plan, and bringing more effectiveness to board meetings through unity. Also, the hottest topic in healthcare is Reform...we'll have consultants in California healthcare policies provide an update on proposed legislation and discuss how Healthcare Reform may reshape our lives, our Districts, and our communities.

You'll not want to miss any part of this typically fabulously fun event. From Tuesday morning—or early afternoon, depending on if you muster up enough to join the Golf Tournament—to Friday after lunch, you'll be intrigued with the amount of seemingly effortless energy that goes into this conference to make it such a huge hit with everyone who attends. And every year it gets even better. This truly is one of the most energetic, motivational, inspirational and fun events of all for District Trustees and health care executives. I hope you've made your reservations, because time is running out. If not, get your registrations in now, because you'll not want to miss attending the ACHD 56th Annual Meeting! ▲

Ted Kleiter
Chair, ACHD Board of Directors

ENVISION
WINNING
56TH ANNUAL MEETING

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Betting on Health Care Reform:

by Peter Gambee, Director of
Government Relations, ACHD

In theory, laws created by the California

Legislature are the end result of a careful deliberative process. Each bill is subjected to at least two major policy committee hearings, often two fiscal committee hearings, as well as discussion and debate on the floor of each legislative house. Along the way, each bill is thoroughly analyzed by knowledgeable policy and fiscal committee staff; and interested members of the public as well as major advocacy groups are able to weigh in with their support, concerns or opposition.

Sometimes though, the legislature takes on issues of such political gravity that the 'need' to accomplish *something now* exceeds everyone's grasp of the issue in question; issues such as this become so complex and the stakes so high that even major stakeholders

have trouble effectively weighing in on various proposals.

California's deregulation of its electric power generators was one such issue. It was driven by a small group of electrical utilities, consumers and brokers. They sold the concept to California legislative leaders as the best thing since sliced bread, with the promise of lower priced electric power through the magic of open markets. The final bill received only one significant hearing during the closing weeks of the 1996 legislative session; it was crafted and heard in a joint Senate-

Who Wins?

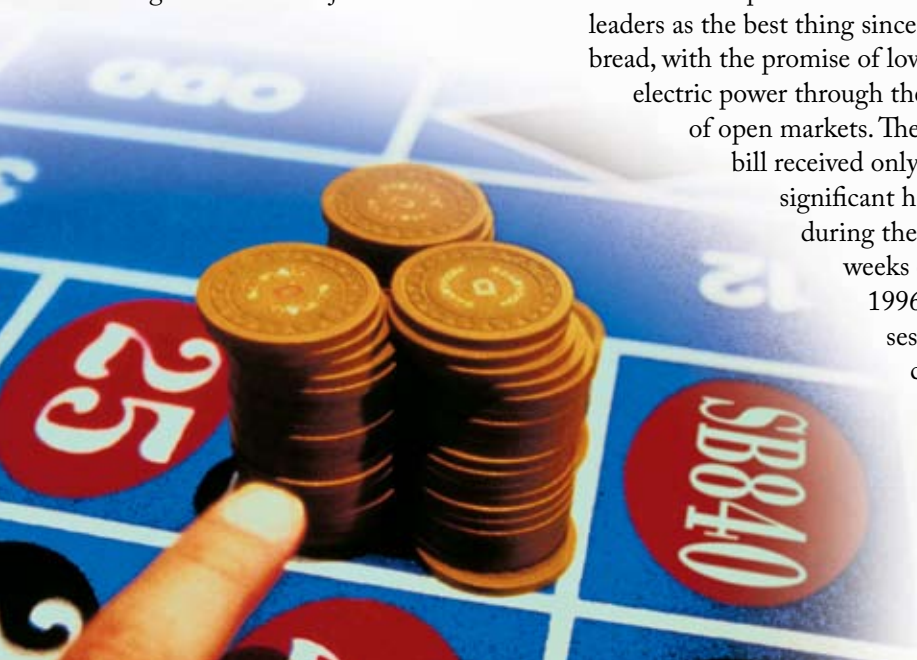
Assembly Conference Committee, and sent to the floors of each house for an up or down vote. Few of the legislators voting on the proposal had a complete grasp of its content or implications. It was fast-tracked into law and we all know the result.

It seems that Healthcare Reform is quickly becoming another high gravity issue. As of this writing, some kind of reform legislation appears to be headed into law on a fast track. There is only one problem: nobody really knows what this reform will look like...or what it is likely to accomplish when it becomes law. And we are just weeks away from the end of the legislative session.

THREE-AND-A-HALF REFORM PROPOSALS

There are presently three competing legislative proposals that are intended to enact major, systemic reform of California's healthcare system. AB 8 (Nunez & Perata) would expand the availability of public and private health insurance for working Californians. SB 840 (Kuehl) would ban the sale of private health insurance and require all Californians to be covered by a single, state-run healthcare system. SB 236 (Runner) is the Republican Caucus response to Healthcare Reform. It states the intent of the legislature to

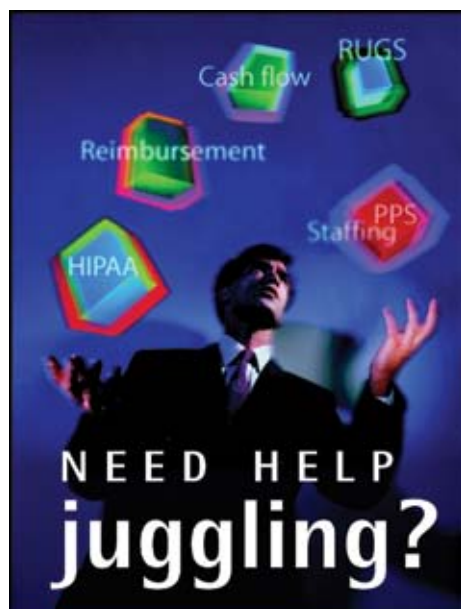
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Legislatively Speaking

Betting on Health Care Reform...

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enact a number of tax and wage & hour regulation reforms to provide California employers with incentives to provide insurance to their workers.

Two of these proposals, AB 8 and SB 840, are now rapidly advancing through the legislative process. SB 236 has been stalled in the Senate Rules Committee since it was first introduced.

But *wait*, there's *more!* In addition to the two main reform bills, there is the proposal unveiled by Governor Schwarzenegger in early January of this year. His proposal contains a number of positive concepts—some could potentially be very positive for Districts and other public hospitals (such as his proposal to increase Medi-Cal rates to 100% of current Medicare rates). Some aspects of his proposal are in tune with AB 8—and diametrically opposed to SB 840. In addition to some areas of concern and holes in the Governor's proposal (such as its proposed 4% tax on hospital net patient revenues), it has at least one major political problem: it has never been introduced as a legislative bill, and has never been heard in a legislative committee.

THE DEVIL'S IN THE DETAILS

Each of the currently active Healthcare Reform bills has received extensive policy committee review and deliberation in both Senate and Assembly. But each of the proposals, including the Governor's, is exceedingly complex and even proponents seem unfamiliar with many underlying details.

SB 840 (Kuehl) would create more than a dozen state and regional government agencies with direct supervisory authority over all healthcare providers in the state. The bill runs close to 100 pages of fine print. (This does not include its companion tax increase measure SB 1014 that would

impose *at least \$95 billion annually* in increased taxes. This tax bill is currently stalled in the Senate Revenue and Taxation Committee.) To date, legislative discussion of this proposal has been almost exclusively focused on what is wrong with our state's current healthcare "system." Granted, there is *plenty* to talk about here, but there has been precious little focus on the potential impacts of SB 840's proposed sweeping regulation of healthcare.

AB 8 (Nunez & Perata) would impose substantial "pay or play" payroll taxes on all California employers to pay for subsidized private health insurance for low-income families. It would also impose substantial new regulatory controls on the state's insurance industry.

AB 8 has always been complex, but recently became even more so. On June 21st, Assemblymember Nunez and Senator Perata (who was author of a competing Senate reform bill), as well as the authors of two smaller related bills, agreed to merge all of these proposals into AB 8.

The final compromise version of the Nunez bill was released in printed form only days before it received its final policy hearing in the Senate Health Committee. It is now an eighty-plus page bill with many provisions that aren't clearly explained or understood.

The confusion over AB 8 was evident when it was heard in the Senate Health Committee on July 11th. Of the 35 witnesses who testified on the bill, 25 stated that they were only willing to support the measure with substantial amendments, or were strongly opposed to it. Even some of the bill's proponents stated that they had questions about some of its provisions. The bill's authors stated that they were willing to consider amendments to address all concerns, and that the bill was a "work in progress." This is most unusual for a bill of this

magnitude that is nearing the end of its legislative process.

Finally, there is the Governor's proposal. Most of what is known about this proposal comes from concept documents released by Administration staff when the plan was unveiled in January. While there is a great deal of *conceptual* language describing what the Administration wishes to accomplish with its reform, there is no concrete statutory language. The documentation available provides some detail, but there are a number of important aspects that have yet to be fully explored. The lack of statutory language makes careful analysis difficult.

There has been an effort, spearheaded by ACHD, to analyze the Governor's proposal and statistically model its likely impacts on the finances of District Hospitals. In addition, the Schwarzenegger Administration agreed to do its own "in-house" outcome modeling for all of California's 460 hospitals. To date, none of the other proposals has received this level of analysis.

ACHD worked with one of the most respected health policy consultants in the state to develop its modeling data. Due to the lack of concrete language, it was impossible to develop a single, reliable model. For example, depending upon which method the Governor's plan ultimately uses to convert Medi-Cal rates to match those of Medicare (there are essentially three ways to do it), California's District Hospitals could face any one of three possible outcomes: they could see a substantial reduction in net operating income, see little change in net operating income, or see a modest increase. The Administration has assured us that our assumptions were far too conservative, and insisted that our hospitals would actually see a modest increase in revenues under their proposal.

If our attempt to model the Governor's proposal failed for lack of essential detail, perhaps the numbers generated by the Department of Health Services would help clear things up? On July 16, DHS released their initial numbers to a working group of hospitals and other stakeholders; their results were actually worse than our own "worst case" numbers. Within an hour of releasing their data, the Department of Health Services recalled it stating that the data was in error. They have yet to indicate when revised numbers might be available.

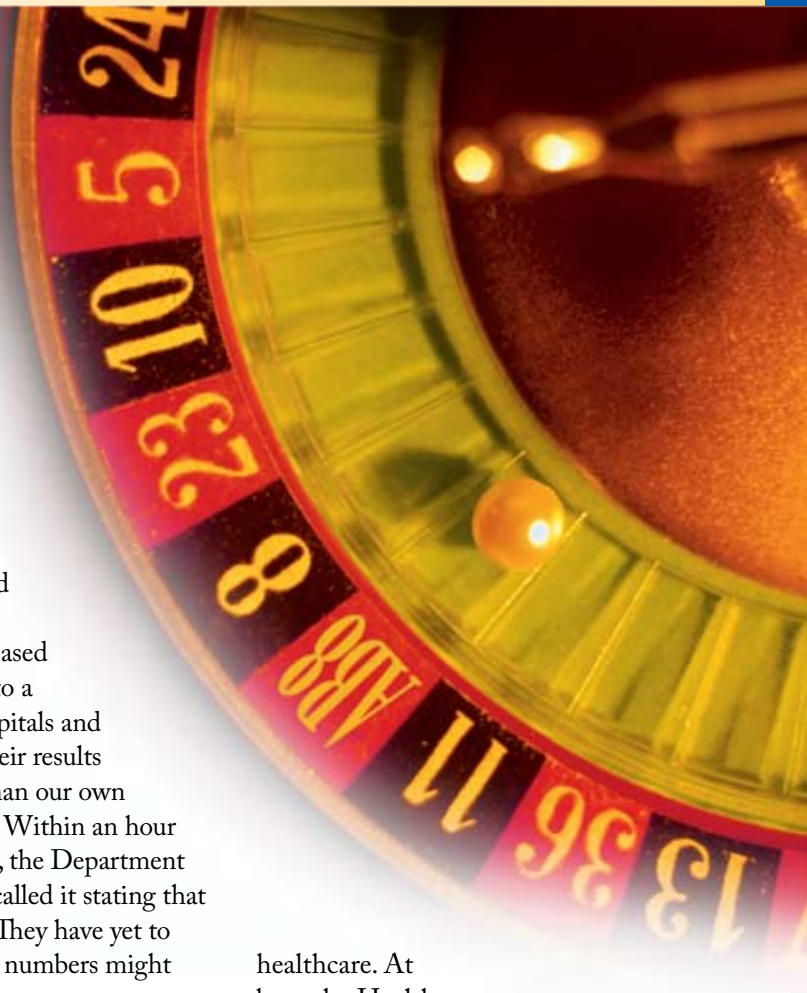
To confound matters even further, the Governor's staff has repeatedly made it clear that they don't believe that they need to introduce their proposal in legislative form. And they don't see the Governor limited to a choice between AB 8, SB 840 or his proposal. He sees the various bills—including the Republican Caucus proposal that never moved out of the Rules Committee—as lists of possible ideas that will be used to shape a final reform proposal. Every idea is worthy of consideration, and will be included in the mix when the Governor sits down to negotiate a final bill with the authors of each proposal and legislative leaders.

In short, Healthcare Reform has been and is a fluid concept. It is unclear just what ideas are likely to emerge in a final bill—or how the final proposal is likely to impact the health of Californians or the healthcare providers who deliver their

healthcare. At best, the Healthcare Reform now taking shape in Sacramento is a huge riverboat gamble for California's healthcare providers and the patients they care for. Perhaps by the time of ACHD's Annual Meeting (September 11-13) we will have a more clear idea of the final product and can begin to anticipate its likely implications for our Districts and our communities.

In the meantime, the best we can do is focus on two or three essential elements of Healthcare Reform that Districts most strongly support (increased Medi-Cal rates, for example), and put strong grassroots pressure behind those.

Be sure to attend the ACHD 56th Annual Meeting where, at a general session, our health policy consultants will discuss in more detail the implications of the proposed Healthcare Reform legislation. See you in San Diego! ▲



Annual Meeting



ENVISION WINNING

You'll not want to miss the ACHD 56th Annual Meeting scheduled September 11-13 at the U.S. Grant Hotel in San Diego! Our Annual Meetings are said to be the best educational, inspirational, informative and fun events that Health Care District Trustees and health care senior executives can attend. And we expect this year's Annual Meeting to be the most grand and rewarding of all!

With the elegance of the U.S. Grant as a backdrop, you'll experience one of the finest educational programs being offered. The workshops, general sessions, table topic discussions and networking opportunities are all designed to provide the motivational tools you'll need to not only *envision winning*, but attain the knowledge to implement and the power to achieve that which you desire.

Implementing suggestions from attendees at prior Meetings, this year's program also promises a more leisurely schedule. The program starts Tuesday morning with the **Annual Golf Tournament** for handicappers of all levels. We encourage you to take this opportunity to get out, get healthy, and have fun! There's nothing more invigorating than soaking up some sun and swinging at little white balls and watching them fly! The best part, however, is the company that you'll enlighten, the laughter you'll enjoy, and the yummy barbeque afterwards! Oh, and who knows...you might just get lucky and win the big \$25,000 hole-in-one! *Envision* that!!!!

If your swing is less than that which you care to share with others on a golf course, then you may want to consider joining others who prefer an indoors social activity, such as the **Directives and Open Forums** scheduled on Tuesday from 1-5 pm. A networking lounge will be open to those who want to hear about successful new services or programs implemented at other Health Care Districts. District executives and Trustees will be there to talk about their programs and services; everyone is invited to join in the casual conversations. Look for more information from ACHD; staff will be scheduling a time for a few executives to talk specifically about what's new at their District and will let you know the topics and times. Then again, you could just come on in and have your own conversation with your fellow trustees and executives at any time you wish. This is a come-as-you-please event in the *Networking Lounge*.

And if you *just* can't get away until later that day, we've got a **Monte Carlo**

style Chair's Reception planned that evening you will *not* want to miss! This elegant event where music, evening gowns, white gloves and black ties *sweep* us away will be filled with fabulous food, drinks, games of chance, laughter and fun! This Monte Carlo style event will also serve as a fundraiser for ACHD's Health Care District Educational Project (401(c)3), and will help fund future educational programs for Health Care District Trustees and executives. So, come ready to play and have fun...and *envision winning* some very exciting prizes!

Over the net day and a half, attendees will enjoy a leisurely schedule. The 2 ½ hour breakfast on Wednesday includes lots of time to talk, listen, and learn. Each table will be identified with a specific topic of interest. You'll be free to join in at any table discussion at any time during the "breakfast hour." The **Table Topics** are a way to initiate discussions and learn more about what your fellow District Members are doing. More simply stated, it's a way to get to know each other better.

After breakfast, Ralph Ferguson, CEO, will present the **State of the Association** address. Lunch thereafter will be buffet style, again with an opportunity to network with your associates and new friends, go for a short walk, or take a quick nap and get ready for the afternoon workshop sessions.

This year's workshops are scheduled so that there are only two 1 hour 15 minute sessions in each of the two timeslots for



Wednesday afternoon. Jack Burrows' **Maximizing Profitability** workshop will feature District executives who have implemented new revenue generating ideas. In one case, the District's financial bottom line went from red to black in just a matter of months!

An interactive, solutions-driven session, **Creating Focus and Power Through Unity**, will provide practical techniques for personal and group "talent management" and conflict resolution to achieve optimal results. Another session, **Crises Communications - A Public Relations Plan for Action**, will focus on how to avoid making mistakes when dealing with the media and public, as well as guide you through the process of developing a crises communications plan. And finally, in the session, **A Community-Based Approach To Elimination Of Health Disparities**, attendees will learn key concepts in primary prevention and will be provided a framework for understanding and addressing health disparities in their communities.

This light afternoon schedule provides plenty of time to get revved up for another night of excitement and fun at the **Exhibitors' Cocktail Reception**. This evening's event will feature ACHD Sponsors and Exhibitors in grand style. Cocktails, hors d'oeuvres, and raffle prizes (provided by our Sponsors and Exhibitors) will help light up the night with glee for many. And you won't want to leave early, as you *could* be the winner

of a trip for two!!! *Envision Winning!*

ACHD events never let you go home hungry. The final day of our event starts us out right with breakfast and plenty of time for networking once again. Our usual morning workshop sessions (after breakfast) have been replaced with a general session, **A Legislative Perspective on Healthcare Reform**. Influential consultants in California healthcare policies will discuss the proposed legislation on Healthcare Reform and the implications on our District Hospitals. See you in San Diego! ▲

ACHD appreciates our Sponsors; their support helps ACHD provide legislative advocacy and educational programs to our District Members. Be sure to check out their products and services at each of their booths this year!

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*Getting ready to
feel the motion
at the Capitol*



“We learned a lot!” and, “We had fun!”

were echoed by many at the ACHD Leadership Education Program for first term Trustees held this past June at the Hyatt Regency Sacramento. An ideal group size of 22 optimally provided for collaboration, energy and much thought. Discussions throughout the program around real life issues for Trustees induced many creative ideas and solutions, and were integral in gaining a better understanding of the roles for Trustees.

Trustees must provide clear operational goals and guidelines to the CEO, and provide feedback on a regular basis as to whether or not the CEO is meeting their expectations. Waiting until the CEO review to discuss any issues or concerns could be too late, as could be waiting to give praise and recognition.

Presentations by Jack Burrows, ACHD Executive Services Director, ACHD, and Ron Spoltore, Vice President, The Camden Group, provided clear guidelines on the roles and responsibilities of Trustees as they pertain to Executive Management, Quality of Patient Care, Finance, Self Assessment and Strategic Planning. The presentations generated much dialogue with great enthusiasm as attendees began to assess their own recent experiences with that of the procedures being presented.

Presenting the Board's Responsibility in Executive Management, Jack Burrows explained that to operate a District successfully and effectively, Trustees should hire the best CEO/Administrator for the job; one whose experience can be applied

and will help achieve the goals for the District. Also, Trustees must provide clear operational goals and guidelines to the CEO, and provide feedback on a regular basis as to whether or not the CEO is meeting their expectations. Waiting until the CEO review to discuss any issues or concerns could be too late, as could be waiting to give praise and recognition. And finally, who hires and fires staff? Trustees are responsible for hiring and firing the CEO; the CEO hires and fires staff...period. Further, it is prudent practice to have an executive succession plan in the event the CEO position comes available.

The oversight of Quality of Patient Care is another important role of Trustees. They are responsible for the credentialing of physicians and allied healthcare professions. Credentialing includes appointing, reappointing, and approving privileges of the medical staff. Further, Trustees are responsible for monitoring and assessing the quality of care provided through utilization, risk management and quality assurance that assesses the process and outcomes of care. Jack recommended that new Trustees request an orientation from the board on this process.

In Finance, the board has three major financial responsibilities:

1. Set financial policies;
2. Delegate implementation of financial policies to the CEO; and
3. Monitor financial outcomes.

The board's responsibility in self-assessment is to recognize the importance



Attendees debating case studies

of a self-assessment and to implement a board evaluation process. An effective board should have a process that evaluates:

- (1) functionality, as it pertains to
 - board structure and organization,
 - community relations,
 - board education and development, and
 - board relations, and
- (2) board responsibilities, such as
 - mission stewardship,
 - long-range planning,
 - executive/management relations,
 - quality assurance/credentialing,
 - medical staff relations, and
 - finance.

To differentiate the role of a Trustee from the Chief Executive Officer, Jack identified planning, organizing, staffing, directing, leading, and controlling as responsibilities of the CEO. Trustees should not get involved in the day-to-day operational business of the Health Care District.

Ron Spoltore conveyed the importance of strategic planning. A good strategic plan provides the foundation for all future services and activities by:

- Clarifying the mission, vision and values;
- Understanding the future needs of the community;
- Creating a capital and facilities plan; and
- Prioritizing critical issues.

An effective strategic planning process must (1) engage the key stakeholders (board, community, physicians and hospital

management); (2) establish the criteria for accountability and responsibility to execute the plan; (3) quantify the key goals; and (4) create measurable outcomes.

Ron stressed the importance of the board's responsibility in the strategic planning process and identified them as the "Four C's": Commitment, Communications, Collaboration, and Confidence. Each member of the board must actively participate in the process and understand the management challenges of healthcare operations. It is the board's responsibility to foster open dialog with hospital management, providing guidance and support and deferring to management on operations issues. And finally, the board must trust management's ability to execute the goals and objectives. This goes back to hiring the best person for the job of CEO, and making clear to the CEO the District's objectives and goals.

The impact of the Board's full participation in the strategic planning process is evident of an effective board. Full board participation creates an atmosphere of trust and mutual respect; provides for joint accountability; establishes realistic performance criteria for evaluating hospital management; and builds a strong leadership team.

Assembly Member Rick Keene also addressed the Trustees giving an insightful,

legislative perspective on Healthcare Reform. There are a lot of "what if's, how's and why's" in each of the three mainstream proposed plans. And there remains to be a lot to hammer out before any plan can practically come to fruition. The scary part is, one of these plans could very likely be signed into law before all the "what if's, how's and why's" are answered. You can learn more about it at the ACHD 56th Annual Meeting where, at the general session, a panel of influential consultants in California healthcare policies and District executives will explain the proposed

plans and discuss the implications and effects on Health Care Districts. You'll not want to miss that one!

The purpose of the ACHD Leadership Education Program is to give guidance to new Trustees on their roles and responsibilities, provide the tools to be effective, and instill

a forum inherent to collaboration and camaraderie. The many goodbyes to new friends and expressions of appreciation upon closure of the meeting were proof enough that the Leadership Program was truly a success. Thanks to all who came with open minds, generous hearts and a desire to succeed. You help give purpose and meaning to all we do. And for that, we thank you. ▲



Assembly Member Rick Keene



Interactive sessions enhanced learning experience

District News



Hi-Desert Medical Center Hires First Group of RN Nursing Students

California's critical nursing shortage is about to get a little better, thanks to the 34 Registered Nurses who graduated from the inaugural class from Copper Mountain College. Nineteen Registered Nurses from this class have been recruited by Hi-Desert Medical Center and will begin working this summer.

According to HDMC's Vice President of Patient Care Services, Jackie Combs, these nurses will participate in a unique nursing immersion program this summer. "We are placing these new recruits in a

variety of departments, including med-surg, the emergency department, our birthing center and even our intensive care unit," says Combs. "We have been working to develop this real-time, hands-on training program that will enable them to gain valuable nursing experience at an accelerated pace. Fortunately, because we are a smaller hospital, we can provide more individualized training." She adds that the nurses will be teamed up with experienced nursing peers, and should complete the training by early fall.

It's worth noting that 20 of the nurses graduating from both the RN and LVN programs this year at Copper Mountain College received scholarships from the Hi-Desert Medical Center Foundation's Martie Avels Nursing Scholarship program. This was the first group helped by this scholarship, which supports registered nursing students' expenses for tuition, books and supplies. The scholarship

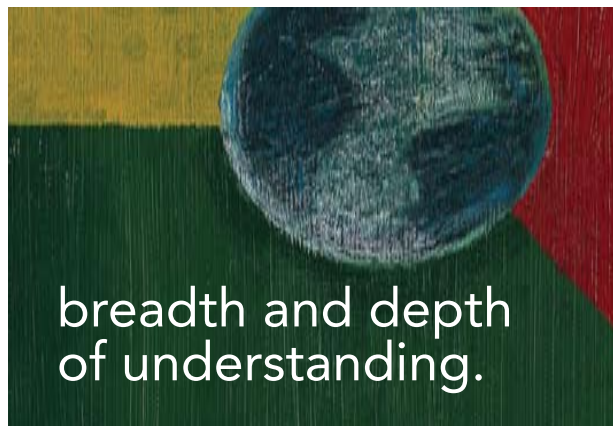
provides approximately \$2,000 per year—the cost of tuition, books and other expenses—for the two years of nursing training to complete the course of study. Scholarship recipients are required to work at Hi-Desert Medical Center for a period of two years upon receipt of license. The Foundation Board recently awarded its next group of scholarships—seven in all—who will begin their courses this August.

Tahoe Forest Health Systems Recognized for Excellence

Tahoe Forest Health System was awarded a Silver Level award by California Awards for Performance Excellence (CAPE). The CAPE organization is a non-profit educational foundation that works to help California's private and public sector organizations achieve world-class results through the principles and criteria of the Malcolm Baldrige Award for Performance Excellence.

According to Bob Schapper, CEO, three years ago the organization began a journey to reinvent its health system and learn how it could be the very best possible in all aspects of its daily workings. Tahoe Forest Health Systems adopted the framework of the Baldrige Health Care Criteria for Performance Excellence in an effort to create a reference point upon which to begin the journey. The Performance Excellence criteria are based on the common practices of the best companies in the nation and are built upon a set of core values and concepts which include: visionary leadership, patient-focused excellence, organizational and personal learning, valuing staff and partners, agility, focus on the future, managing for innovation, management by fact, social responsibility and community health, focus on results and creating value, and systems perspective.

The award stems from an on-site visit from seven CAPE reviewers who came to the hospital and observed how it operates, then rated it compared to other hospitals statewide, including such organizations as Sharp HealthCare, a seven hospital health system in the San Diego area, and Cedars-Sinai Medical Center in Los Angeles. Hospital Administrators feel this recognition from CAPE helps to validate that they are on the right path, and will help to reinforce to the community the Hospital's ardent commitment to quality.



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Hi-Desert Medical Center Receives State Awards

Hi-Desert Medical Center (HDMC) announced that it received best practice awards for quality in evidence-based medicine outcomes. Hi-Desert Medical Center received the silver award for improvement in care of patients with heart failure or pneumonia. Appropriate Care Measures for these diagnoses are known by the Centers for Medicare and Medicaid Services (CMS) to impact a large population of hospital inpatients nationwide. Overall improvement in these areas reflects an increase in quality of care. The silver award resulted from HDMCs participation in a 14-month elective quality improvement collaborative in which 41 hospitals statewide participated.

Hi-Desert Medical Center received the gold award for exceeding the goals of the Surgical Care Improvement Project (SCIP). The Hospital District made dramatic improvements in areas related to infection prevention, blood clot prevention, and overall post-operative care. HDMC performed at 100 percent during the last quarter in four of the six metrics that comprised the study.

"Hi-Desert Medical Center has truly become a hospital of surgical excellence for residents of the Morongo Basin," said Dr. Andre Kasko, Hi-Desert Medical Center's chief of surgery. According to Marge Doyle, RN, director, med/surg, ICU, & telemetry, these awards reflect the collaboration and dedication of employees in many hospital areas, from nursing and physicians, to the emergency department, surgery and information services. "Hi-Desert Medical Center's impressive compliance with Appropriate Care Measures and surgical outcomes are indicative of the quality we are delivering at this hospital. We are saving lives and improving healthcare right here in our community everyday."

Pomerado Hospital Recognized for High-Quality Care in Bariatric Surgery

The American Society for Bariatric Surgery (ASBS) has named Pomerado Hospital as a Bariatric Surgery Center of Excellence – only three other hospitals in San Diego County have earned this distinction. The ASBS Center of Excellence designation recognizes surgical programs with a demonstrated track record of favorable outcomes in bariatric surgery.

Nearly 3,000 bariatric surgical procedures have been performed at Pomerado Hospital since 1991. Charles Callery, M.D., and Kyle Potts, M.D., are board certified general surgeons who specialize in laparoscopic obesity surgery. "The Center of Excellence designation confirms the quality of care we provide," says Dr. Potts, chair of the Pomerado Hospital Department of Surgery.

To earn a Center of Excellence designation, Pomerado Hospital underwent a comprehensive outcomes review and on-site inspection. All aspects of the surgical process and health outcomes were examined. Pomerado Hospital, along with other ASBS Centers of Excellence agrees to pool and share information on clinical pathways, protocols and outcomes. Data sharing allows bariatric surgery programs to develop best practice pathways to further refine their care.

"We approach clinically severe obesity as a genetically based condition which is amplified by a variety of social, psychological, dietary, and environmental factors," says Dr. Callery, medical director of the bariatric surgery program. "Diet, exercise, and counseling programs alone are ineffective for many patients. At Pomerado Hospital we believe that the ASBS Centers of Excellence program will serve as a

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District News

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catalyst, driving strong programs to improve our service.”

As a Bariatric Surgery Center of Excellence (BSCOE), the center promotes safety and advocacy by offering comprehensive services to its patients and performing data tracking and analyses. A program’s designation publicly honors it as being the best of the best. In becoming a BSCOE, the program has held itself up to some of the highest standards in the industry. The designation is indicative of the centers comprehensive commitment to a high level of bariatric care.

Sequoia Healthcare District’s HeartSafe Program Saves Grandmother’s Life

A grandmother who collapsed following her granddaughter’s high school graduation was saved by bystanders who utilized an AED

(Automated External Defibrillator) placed on the school’s campus by Sequoia Healthcare District (SHCD).

As part of SHCD’s HeartSafe Program, personnel of organizations enrolled as HeartSafe partners are informed of where AEDs are placed in their facilities and key staff are trained how to use them. When a call came across Woodside High School’s radio communication system that someone was unconscious and without a pulse in front of the school’s Performing Arts Center, school employees were therefore able to swiftly coordinate efforts to deploy the AED unit. The school’s Lead Custodian was able to immediately locate the nearest AED and bring it to the scene where a Campus Aide and the victim’s daughter were beginning to administer CPR. A Sheriff’s Deputy that was directing traffic following commencement ceremonies and the

school’s Health Aide took over CPR efforts and applied the AED.

The AED’s voice prompts indicated it was analyzing the victim’s heart rhythm and had determined a shock was necessary. Immediately following the shock, the grandmother began breathing on her own. The grandmother was taken to a local hospital, and is recuperating at her daughter’s home as per the latest report from the family.

Woodside High is proud to be a HeartSafe partner

as they are providing a new level of safety and service to faculty, students and visitors. Congratulations to Pamela Kurtzman, Sequoia Healthcare District’s HeartSafe Program Coordinator, who is responsible for working with Woodside High School to ensure that their response system was effectively in place and ready for action—from the placement of the AEDs to the coordination of staff CPR/AED training and implementation of the policy and procedures for deployment of the AED.

Sequoia Healthcare District’s HeartSafe Program is a community response system designed to increase the survival rate from Sudden Cardiac Arrest (SCA) through education, training in CPR/AED and the strategic placement of publicly accessible Automated External Defibrillators (AEDs) throughout the community. An AED is a small, portable device that analyzes heart rhythms. It offers the user voice-prompted instructions and, if determined to be necessary, can deliver a potentially lifesaving shock to a victim in cardiac arrest. Early defibrillation can mean the difference between life and death, an active and healthy life or a vegetative state.

North Sonoma County Hospital District Jointly Sponsors New Medical Explorer Post Program

The North Sonoma County Hospital District and the Healdsburg Kiwanis Club will jointly sponsor a Medical Explorer Post at Healdsburg District Hospital. The primary purpose of the Medical Explorer Post will be to afford high school age boys and girls shadowing opportunities and special presentations, giving them exposure to the wide spectrum of medical related careers and the training and preparation required.

The Medical Explorer Post will also be involved in efforts to maximize

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participation in the Healthy Families Program and District Sponsored Immunization Programs—especially in medically underserved areas—and other community outreach programs of the Hospital and its Medical Staff.

Kurt Hahn, Board Member of the North Sonoma County Hospital District and Past President of the Healdsburg Kiwanis, took the lead in obtaining approval from both organizations. “We hope to involve a wide variety of organizations in the project, including Bells Ambulance Service and the Cloverdale Health Care District, which operates an ambulance service in that area, as well as the Santa Rosa Junior College nursing facility and all high schools within the District. We will endeavor to integrate existing programs where possible,” Hahn stated.

Antelope Valley Hospital Announces New CEO

Antelope Valley Healthcare District Board of Directors named Edward Mirzabegian, as Chief Executive Officer (CEO) of Antelope Valley Hospital (AVH), a not-for-profit, 420-bed hospital founded in 1955.

“As COO, Mr. Mirzabegian has been a strong and committed leader of the hospital’s daily operations, financial performance, improved patient satisfaction and strategic planning,” explained John Manning, M.D., Chairman of the Board. “We have the utmost confidence in Mr. Mirzabegian’s abilities to lead this hospital in a focused and positive direction. His leadership will no doubt help us achieve our goals to become the community’s hospital of choice.”

With more than 20 years of healthcare and hospital operations experience, Edward Mirzabegian came to AVH as Chief Operating Officer in July 2005. His expertise in system operations, hospital management

and strategic planning have helped the hospital plan for the future growth of the Antelope Valley, as well as spearheading expansion plans to offer more services to patients and residents.

“I am grateful for the Board’s confidence in my leadership capabilities and proud to take on this new role at Antelope Valley Hospital,” stated Mirzabegian. “I fully intend to seize this opportunity to put the right infrastructure in place to significantly improve hospital operations and patient services, achieve higher employee and patient satisfaction ratings, and show the community they do not need to go elsewhere for excellent patient care or employment.”

Regional Spine Center Opens at Salinas Valley Memorial Healthcare System

Salinas Valley Memorial Healthcare System (SVMHS) announced that it has established the Regional Spine Center at the Healthcare System’s campus on East Romie Lane. The first of its type on the Central Coast, the Regional Spine Center offers a comprehensive program of care for people with debilitating back pain. Located in a dedicated unit of the hospital, the Regional Spine Center brings together neurosurgeons, orthopedic surgeons and other physicians, nurses certified in orthopedics by the National Association


of Orthopedic Nurses, physical and occupational therapists, pain management specialists and case managers to care for each patient.

“Thanks to a talented team of spine care specialists, advanced techniques and state-of-the art technologies, more people can receive the care they need without traveling out of the area,” said Sam Downing, President/CEO of Salinas Valley Memorial Healthcare System. “Because spine surgeries often involve a period of physical therapy and recovery, it’s important that patients can stay close to home, family and friends while receiving quality care.”

Our team of neurosurgeons and orthopedic surgeons trained at some of the country’s most prestigious universities and medical centers such as Yale, Harvard and Princeton. All are board-certified, continue to pursue

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additional training to stay ahead of advancing surgical techniques and technologies, and perform hundreds of procedures annually.

Customized operating suites are equipped with advanced technologies that enable minimally-invasive techniques, microsurgery and non-surgical procedures such as kyphoplasty and vertebroplasty to treat people with spinal compression fractures. Some procedures are performed on an outpatient basis, while others require a hospital stay. Specialists at the Regional Spine Center use the most advanced imaging technologies available to detect and pinpoint spine problems and to navigate the spine during surgery and other procedures.

Hazel Hawkins Hospital Staff Deliver the Joy of Fatherhood to Marine in Iraq

By Alice Joy, Hollister Free Lance

Sent to Iraq while his pregnant wife was at home in Hollister, U.S. Marines

Lance Cpl. Jonathon Foss was certain he would miss out on seeing the birth of his first child.

But thanks to staff members at Hazel Hawkins Memorial Hospital, modern technology and a little luck, Jonathon Foss was able to watch a live streaming video of the birth of his son, Jude, from halfway across the world.

Jerilyn Foss, 21, said she and her husband were incredibly grateful to the hospital staff for their help.

"We couldn't believe it," she said. "We were just hoping that he could call in to the room, and we got so much more."

Frankie Valent-Arballo, director of public relations for Hazel Hawkins, received an e-mail from Master Sgt. Scott Martin in Iraq, asking if there was any way the hospital could arrange a teleconference so that one of his Marines could watch the birth of his first child, who was due in a week.

Valent-Arballo told Martin she would do everything in her power to make that possible, but when she contacted Jerilyn Foss on Monday morning, she found out she had already gone into labor, and would be giving birth to her child that evening.

Valent-Arballo held a meeting where she informed other staff members of the e-mail. She said the outpouring of support was impressive; everyone volunteered to help in different ways.

"When you get a request like that, it's not a matter of 'it's somebody's job.' It's the right thing to do. I think it's the least we could do," Valent-Arballo said.

The hospital's lab manager, Mark Smith, ran to Staples to buy a webcam. Clinic Medical Director, Dr. Antonio Meraz used his knowledge of technology to get the webcam up and running, and Anthony Mojica, director of guest relations for the hospital, and Valent-Arballo worked to get everything in order.

While Foss was in labor with her contractions less than two minutes apart, staff members worked to set up the technology. Valent-Arballo typed to Jonathon Foss through instant messenger and kept him updated as the delivery was imminent, and also held the camera to film the event.

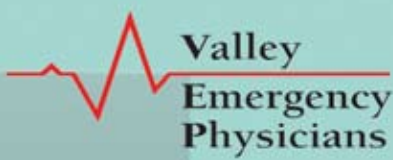
As she was giving birth to the couple's first child, her husband, who is stationed in Fallujah, watched and typed words of encouragement.

When at last Jude was born, Jonathon Foss watched through the camera, and called the hospital room to tell his wife how proud he was and how beautiful their son was.

"He couldn't be there, but in a sense he could," Jerilyn Foss said. "I'm so grateful to Hazel Hawkins Hospital for that."

Washington Hospital Healthcare System First in the U.S. to Treat Patients Using the New Leksell® Gamma Knife Perfexion™

Washington Hospital Healthcare System physicians are the first outside of Europe to treat patients using the new Leksell® Gamma Knife Perfexion™, a revolutionary alternative to traditional open-brain surgery and/or daily radiation treatments, which are administered from four to six weeks. The Gamma Knife Perfexion instead uses focused doses of radiation without making a single incision



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to treat malignant and benign brain tumors and other brain disorders.

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The Gamma Knife Perfexion's anatomical reach has been expanded to treat 100 percent of the head and neck, which allows physicians to address difficult-to-reach tumors that were not previously treatable when compared to earlier generation and current competing technologies. "A leading edge neuroscience program that includes the Gamma Knife Perfexion is unprecedented in a community hospital setting," said Nancy Farber, Chief Executive Officer of Washington Hospital Healthcare System. "This new service, coupled with our world-renowned staff to lead the program and state-of-the-art treatment facility, supports our mission of providing the highest quality patient care to our local community residents and even patients throughout the United States and the Americas."

Chargers' Running Back Partners With Palomar Pomerado Health


San Diego Chargers' running back LaDainian Tomlinson has agreed to a unique five-year partnership with Palomar Pomerado Health (PPH). As the National Football League's Man of the Year and Most Valuable Player, Tomlinson now joins the PPH team as a health advocate – rushing for another cause, and investing his time and energy to help address the many challenging health issues facing communities in San Diego County.

Tomlinson will play an important role in raising awareness, educating the community and helping find solutions to issues such as childhood obesity, diabetes, cardiac care, stroke prevention, women's and men's health, senior isolation, teenage suicide, drug and substance abuse and improving access to care for the underserved.

Through the partnership, PPH and Tomlinson will launch a visionary program called Project21SD – named for the football player's jersey number as well as the 21-month initial rollout of the program. Together, Tomlinson and PPH will bring together like-minded organizations to participate in solution development, attack preventable diseases, promote healthy lifestyle

choices for youth and families, and deploy measurable outcome-based tactics to make a difference. PPH plans to follow the successful implementation of Project21SD with a national campaign, Project21US.

"I am proud to be associated with PPH," says LaDainian Tomlinson. "Pomerado Hospital is my community hospital and I look forward to working with the health system to make a difference and improve the lives of people in the community. It's a personal mission and passion of mine to reduce diabetes and obesity in children, and raise awareness of other health issues like heart disease, stroke and improving access to care." ▲



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Your Association News

ALPHA FUND

Enters a New Era

ALPHA Fund, the Workers' Compensation self-insurance pool for Health Care Districts and non-profit health care entities, organized by the Association of California Healthcare Districts, has been serving its Participants since 1976. Through focused, steady growth, this Joint Powers Agency now has a Participant base of 47, many of whom are founding members! Today, ALPHA Fund currently covers over 20,000 lives with related payroll exceeding \$650,000,000.

Over the past several years the world of Workers' Compensation has undergone dramatic transformation as legislative reform has put perspective back into a broken system. The true

benefactors of this change have been self-insured employers and the traditional insurance market. With these changes and a commitment to safety and loss prevention, ALPHA Fund



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Participants' loss rates have declined 60%. The Fund's loss rates are now below the statewide average for the first time in recent history!

In the wake of record high Workers' Compensation rates and rapidly declining losses, the industry is experiencing record profits. As ALPHA Fund emerges financially from its deficit position this year (eliminating the deficit four years earlier than planned), strategic changes are taking place and ALPHA Fund intends to declare the first dividend in its history! Unlike a traditional insurance company, surplus created by ALPHA Fund remains an asset of the Fund for the benefit of its Participants—not distributed to disinterested stakeholders. ALPHA Fund's surplus is being used to stabilize rates, pay dividends, support expanded programs and services, and other uses as determined by the owners / Participants.

With its top notch Loss Prevention and Claims Management services, ALPHA Fund looks ahead to the coming year for continued growth and opportunities to help Participants continue to lower their costs of Workers' Compensation. If you would like more information on the fund, please contact David McGhee, COO, 800-655-2667. ▲

Easy and Free Access to Safety and Loss Prevention Tips and Information

The 2005 ALPHA Fund Participant Education and Resource Survey asked Participants what types of resources and educational opportunities they would like ALPHA Fund to make available. Overwhelmingly, the responses identified the need for a video lending library. July 2007 marked the first anniversary for ALPHA Fund's Lending Library, which has become a frequently used and valued Participant resource.

Available only to current ALPHA Fund Participants, the Lending Library boasts over 75 titles covering a wide range of healthcare specific Safety and Loss Prevention topics. These videos and their training kits may be used for in-service training and/or educational purposes at Participant facilities free of charge. While it may sound too good to be true, it is not! To take advantage of this great resource or to learn more about the programs and benefits available to ALPHA Fund Participants, please contact Brenda McGuire, Director of Loss Prevention: brendam@alphafund.org, or (800) 655-2667. ▲

HCDs Generating New Revenues through

Inmate Healthcare

Providing inmate healthcare offers a win-win solution for Health Care Districts and the State Department of Corrections (thus, the State and taxpayers). Of the seven District Hospitals that entered into new or improved contracts with the Department of Corrections in 2006, all have experienced considerable improvement in their financial positions. For one District Hospital, the new contract in 2006 contributed to their first positive net income in almost twenty years. For fiscal year 2007-08 this district is anticipating a positive net income in excess of \$4,000,000! ACHD is working to afford additional opportunities for District Hospitals to provide inmate healthcare.

Last year the governor appointed a new Federal Receiver for the Department of Corrections who has vowed to restructure the prison health system. Recognizing an opportunity to generate new revenues for more of our Health Care Districts, ACHD's Jack Burrows, Director of Executive Services, contacted the new Receiver, Robert Sillen. Mr. Sillen has indicated an interest in learning more about how HCDs might be a source for saving the DOC significant money and providing improved health services.

ACHD's goal is to represent the interests of *all* District Hospitals. There is a need for tertiary care and other services, such as providing telemedicine consultations. There are 46 District Hospitals that could potentially participate in providing inmate healthcare services. ACHD encourages those who currently are not providing inmate healthcare to give great consideration to these opportunities.

ACHD sent District Hospitals a survey to assess District interests in providing inmate healthcare and to attain other pertinent information. Jack Burrows will present the results in a report to Mr. Sillen and discuss furthering the opportunities for HCDs to work with the DOC. If you would like more information on the benefits of providing inmate healthcare or you have questions concerning potential risks, please contact Jack Burrows at 800-424-2243. ▲



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