

Connection



Rising STARS

YOU'LL SHINE AT THE
ACHD 57TH ANNUAL MEETING

OCTOBER 1-3, 2008
U.S. GRANT HOTEL
SAN DIEGO, CA



CEO Commentary

Maintaining the energy, the culture and the interpersonal environment that first engendered success is the essential challenge to every successful organization. The individual sense of emotional commitment to the enterprise and the group sense of common purpose and common enterprise can easily dissipate in the seemingly inevitable march to greater organizational challenges.

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*.

ACHD
2969 Prospect Park Drive
Suite 260
Rancho Cordova, CA 95670
Phone: 800-424-2243
Fax: 916-266-5201
www.achd.org

Ralph Ferguson
Chief Executive Officer
ralphf@achd.org

David McGhee
Chief Operating Officer
davidm@alphafund.org

Curt Jones
Chief Financial Officer
curtj@alphafund.org

Jack Burrows
Executive Services Director
jackb@achd.org

Christine Chapman
Member Services Director
christinec@achd.org

Pamela Eck
Marketing Project Specialist
pame@achd.org

Linda Faircloth
Marketing & Communications Director
lindaf@achd.org

Peter Gambee
Principal Advocate
peterg@achd.org

Tom Petersen
Government Relations Director
tomp@alphafund.org

Amber Wiley
Legislative Advocate
amberw@achd.org

Kathryn Wilshusen
Human Resources Director
kathrynw@alphafund.org

With the notable exception of the devoted people working for faith-based and secular charitable organizations, loss of individual emotional commitment to group enterprise is frequently the result of ineffective leadership or a change in organizational culture. While continuing economic difficulties virtually assure an adverse change in individual emotional commitment to a business enterprise, continuing organizational success is not without peril to commitment and culture. This business irony is not new. The wry observation that "...success is eventually its own punishment..." was the amusing notation of an Egyptian architect when the pyramids were still on the drawing board.

Whatever the vagaries of success, in the evolving world of Health Care Districts, we still seek it. *We know that a dedicated, energetic and ambitious leader is the first prerequisite of District success.* In these challenging times, no District is achieving success without such a leader. It is the essential truth of District stewardship that if dynamic leadership is not in place, then whatever else the District stewards accomplish or attempt to accomplish... *it will not be enough.*

The road to success is paved in its entirety with the cement of effective leadership. Without doubt, leadership is *the* indispensable element of District success... but more is required. In seeking to create and maintain the organizational structures that engender continuing success, we look

again to the paradigm of the "caring organization"—one in which co-workers (starting with senior management) honestly seek to create a culture of caring and kinship that becomes a foundational element of organizational success. While "excellence" is a fundamental value in each of our perennially successful Districts... Salinas Valley, Kaweah Delta, Washington Township, Camarillo and Beach Cities among several others come to mind... to walk down the halls with the chief executive of any of these Districts is a case study in honest kinship between people who share the same work.

As a true sense of kinship and caring must arise first in the hearts of the leaders of the enterprise—and cannot be a lasting result of either artifice or mandate—the resulting benefits to a business enterprise are surprisingly secondary. Caring organizations are initiated by leaders and embraced by virtually everyone because they are the best places in the world to work. Whether fueled by enlightened philosophy or business pragmatism, the caring organization also appears to be the most productive approach to group enterprise yet known. It is an insightful fusion of wisdom and ambition... and it's time has come. ▲

Ralph Ferguson
Chief Executive Officer

Table of Contents



page 2

2 / CEO Commentary



page 4

4 / Comments from the Chair

5 / Legislatively Speaking

Efforts Signal Inevitable Repeal of SB 899
Stand With Us

8 / Annual Meeting

Rising Stars Will Shine at the 57th Annual Meeting



page 12

10 / Your Association News

Advocating, Educating, and Promoting Success
for Health Care Districts

12 / District News

Collaboration, Innovation and Success—District Stars



page 22

22 / Leadership Education

Outsourcing: Is It the Right Fit for Your Hospital?
Filling the Gaps in Healthcare: What is the District's Role?

2007-2008 ACHD Board of Directors

Chair

Ted Kleiter
Treasurer
Palomar Pomerado Health

Vice Chair

Vanessa Poster
President
Beach Cities Health District

Secretary

RoseMarie Reno, RN
Treasurer
Tri-City Healthcare District

Treasurer

Barry Warmerdam
Vice Chair
Sierra Kings Health Care District

Board Members

Sandy Beach
President
Coalinga Hospital District

Jacob Eapen, MD
Secretary
Washington Township Health
Care District

Grace Ellis
Vice Chair
Mount Diablo Health
Care District

Kathleen Kane
President
Sequoia Health Care District

Runo J. Lemming
Chair
Cambria Community
Healthcare District

Darren Magness
Trustee
Valley Health System

Richard Mendoza
Chief Executive Officer
Pioneers Memorial
Healthcare District

Don Parazo, M.D.
Secretary
Antelope Valley
Healthcare District

Jane Rozanski
Chief Executive Officer
Camarillo Health Care District

Robert Wikoff
Chair
Oak Valley Hospital District

Immediate Past Chair

Robert Jones
Chair
San Geronio Memorial Health
Care District

Director Emeritus

Frederick Groverman, DVM
Petaluma Health Care District



Comments from the Chair

Time does indeed fly by, especially these days when our days are filled with greater challenges and demands, and our calendars are filled with the things yet to be done. Rarely is *time on my side* (as the old Rolling Stones song goes); all that matters is urgent. But what I find is that decisions are made and ideas implemented. Things get done.

The strongest oak of
the forest is not the
one that is protected
from the storm and
hidden from the
sun. It's the one that
stands in the open
where it is compelled
to struggle for its
existence against the
winds and rains and
the scorching sun.

Napoleon Hill

That is what I appreciate about being on my district board, as well as serving as Chair of the ACHD board. But not all decisions are easy to make...but they must be made. I'm sure we've all been in positions at times where we've felt "stuck between a rock and a hard place." I've found that if the rock can provide greater relief from all the challenges presented, and there is nowhere else to stand, then your decision must be to stand by the rock.

When it comes down to making a decision that must be made to make something good, something important happen, then you've got to do what's right for the greater good for all. That is especially true sitting on the ACHD board. While each of us (ACHD board members) are there to represent our own District, we are also there to look out for the interests of all California Health Care Districts. There are no other associations that represent the interests of only Health Care Districts—not to diminish the good that may be derived from the work of others. But ours, the Association of California Healthcare Districts, has as their sole purpose our needs to succeed...and it shows in all that we do.

This is my final year as the ACHD Board Chair, and will be my final Comments as such. I have learned of the

diversity in our District Membership—we have big (400+ beds) and small Districts (less than 50), rural and urban, sprawling and no growth, ambulatory only, SNF only, and clinic only Districts, and Districts that do not operate hospitals but provide community health and wellness programs or have a grants only program. I have recognized the severe challenges facing the less fortunate of the Districts—some are poor but manage to survive, some are poor but manage to succeed (beyond just surviving), and some just can't seem to get along with or without the revenue. But what is most discerning of all during my time on the ACHD Board is what I don't see. I don't see those in need taking advantage of the opportunities to learn, to network, to participate in the programs, where we come to believe that it only takes one to make a difference.

And that is what I hope to instill here, in my last Comments. While time flies by and we get consumed with life, it's easy to forget our purpose for being a member on a Health Care District Board, and we lose that enthusiasm we first felt when we began learning how we can make a difference. When we took that oath of office, we promised to do our best. If in our days we find our best diminished by the speed of time, then let us slow down and take the time to learn, network and participate in that which will help us be the ones to make a difference...again.

I hope to see you at the ACHD 57th Annual Meeting. *We are the stars* in all that matters...and for many, all that matters is good health. Stay healthy. Stay wise. Be a *Rising Star*. ▲

Ted Kleiter
Chair, ACHD Board of Directors



Efforts Signal Inevitable Repeal of SB 899

Since the reforms of 2004,
there has been much talk about how unfair
revised payment schedules are to injured
workers and many attempts to repeal the

Workers' Compensation reforms of SB 899. In 2007
alone there were 27 Workers' Compensation bills introduced attacking
SB 899. Fortunately, many of those bills died before getting to the
governor's desk, but two compromised bills, AB 338 and AB 1073,
were signed into law. *(For summaries of these bills, visit www.alphafund.org/law.order.)*

The most pressing piece of current legislation today is Senator Don Perata's (D-Oakland, Senate President pro Tempore) measure, SB 1717, "Workers' Compensation: Permanent Partial Disability." This bill is essentially the same as SB 936—a bill vetoed by Governor Schwarzenegger just this past October. This is the third attempt by Perata to push the Permanent Partial Disability bill into law.

SB 1717 will double the number of weeks a permanently disabled worker receives benefits, or essentially double the total benefits to which an employee is now entitled. The bill will also eliminate the current provision in the Workers' Compensation law that allows an employer to reduce the permanent disability payments by 15 percent if the employer offers regular work, modified

work, or alternative work for a period of at least 12 months. Essentially, if this bill were to pass, employers would experience an increase of 50%-65% in permanent partial disability compensation, which would result in significant increased Workers' Compensation rates. For ALPHA Fund Participants, this bill alone would likely result in a 7%-10% increase in rates.

SB 1717 passed the Senate on May 27, 2008, and is expected to pass the Assembly (as of this writing) and land on the governor's desk for approval likely some time in August. Many believe that Governor Schwarzenegger will veto this bill, and instead endorse the recommendation for a regulatory solution proposed by the Division of Workers' Compensation. This solution, based on empirical data, is proposed

as a more fair and equitable solution. In the (likely) event that the governor accepts the DWC's recommendations, permanent disability payments will increase approximately 16% on the average...for now.

Major organizations, such as, Voters Injured at Work.org (VIAW) and the California Applicants' Attorneys Association do not accept DWC's recommendations as a fair and equitable solution. And they will likely not let up on their campaigns until they gain back that which they claimed to have lost with the reforms: the 50%-70% overall reduction in claims benefits. These organizations have become very powerful players at the capitol, and have been behind many of the bills being pushed through the legislature...only to be stopped by the governor's veto. Change is likely to occur if they are successful in their campaigning efforts to get a new governor elected in 2009—one that is willing to support their efforts in rescinding SB 899.

Signs of their perceived eventual success are evident. As of late, big insurance groups are intentionally reducing their market share in the workers' compensation business in California, according to a May 2008 article in the Sacramento Business Journal. The article quoted Warren Buffet's Berkshire Hathaway Insurance

Continued on page 6

Legislatively Speaking

Efforts Signal Inevitable Repeal of SB 899

Continued from page 5

Group's 2007 annual report as stating, "it's a certainty that insurance-industry profit margins, including ours, will fall significantly in 2008." "Berkshire and other big players such as Zenith National Insurance Group, American International Group Inc. (AIG) and American Financial Insurance Group are all pulling back from the California market," writes Chris Rauber/San Francisco Business Times. Based on his sources, "Berkshire's apparent pullback from the California market is particularly significant because Buffett and his insurance companies are well known for entering and exiting markets rapidly when they're about to heat up or cool down."

WHAT CAN WE DO?

ALPHA Fund Participants and all Health Care District executives, staff, and governing Board of Trustees must unite and be pro-active...period.

Look for future alerts in your e-mail and faxes from ACHD / ALPHA Fund, and respond. Let your representatives and the governor know that Districts cannot sustain these financial punches delivered with malicious intent by egregious attorneys (and others) who pretentiously seek

security for injured workers, when it is their own interest for which they seek stricter Workers' Compensation laws and increased payments.

Second, prepare yourself. Do all you can do *now* to keep your Workers' Compensation costs under control.

CHECK LIST:

- Do you have a written plan that outlines methods for prevention of employees' illnesses and injuries?
- Have you appointed specific staff members to be responsible for implementing your written plan?
- Do you meet regularly and check on how your plan is working?
- Is safety a core value in your organization?

ALPHA Fund encourages you to call staff to help you keep your costs down. Call Brenda McGuire or Sharon Weech for loss prevention services (800-424-COMP). Their services are provided to participants without cost. They will come to your facility and work with you to make your place the safest it can be.

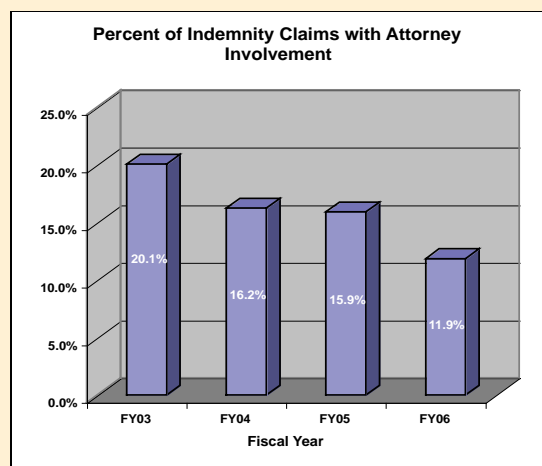
Recognizing that attitudes drive behavior, they will help you:

**Be pro-active...
contact your
representatives**

To find your representatives' contact information, go online at www.achd.org, highlight or click on **Legislative Activities**, then click on **ACHD Grassroots Action**, scroll down to **My Elected Officials**, and click on **State Legislative Directory**. Input your zip code and you'll find links to the governor's office, and your senate and assembly representatives.

- Develop and implement value-based safety solutions to help reduce the frequency and severity of injuries.
- Integrate safety as a core value within your organization.
- Provide your managers with the coaching skills they need to train employees.
- Effectively implement safety programs that inspire a culture of safety.

ALPHA Fund has many programs and services that are of no additional cost to Participants. Take advantage of them. And keep a watch out for the legislative alerts. For more information, visit www.alphafund.org, or call Pam Marcum, Director of Claims, Brenda McGuire, Director of Loss Prevention, or David McGhee, Chief Operating Officer, at 800-424-COMP. And be safe. ▲



According to ALPHA Fund data, the percentage of Participants' indemnity claims with attorney involvement decreased 8.2 percent from FY03-FY06.



Stand With Us

by Pamela Eck

As we know, California Health Care Districts face a number of serious challenges in today's political climate and turbulent economy.

Health care reform and California citizens continue to take a beating in most arenas throughout the state. ACHD/ALPHA Fund remains working on behalf of our Members to help strengthen financial stability for District hospitals and community based facilities whose services are provided to the citizens of California. Health care cuts continue to threaten necessary services to the disabled, seniors, children and every California citizen while also endangering jobs and livelihoods in communities where facilities may face closure. It is more important than ever for ACHD/ALPHA Fund and District Members to form strong business relationships with high quality companies that serve the health care industry. The ACHD/ALPHA Fund Sponsorship Alliance Program was developed to create collaborative opportunities between ACHD/ALPHA Fund, California Health Care Districts and these types of value driven companies through the opportunity of corporate sponsorship.

We ask our Sponsors to "*Stand with Us*" in creating a synergy that makes us stronger as a whole than what we would be as individuals. As in any good alliance there is a bond and connection between us where we work in union through a relationship of qualities that furthers the interests of our members. The Sponsorship Alliance Program creates expanding opportunities for all of us to stand together as we continuously strengthen the connection and relationship between us. Strong business

relationships of this type are built upon trust and expertise and this is especially important given California's health care crisis where millions of citizens are placed in harm's way due to budget cuts and an ailing system.

In all types of alliances there are simple truths that exist across cultures, demographics, economies, societies, organizations and individuals, about the relationships we choose to build and the words we use to communicate. There is no union between the sender and the receiver, no communication is present, without a mutual understanding of the shared meaning of our words. In California the words "*health care crisis*" are clear. Yet, how the lawmakers, patients, healthcare professionals and the citizens of California choose to work together through this crisis is both a challenge and an opportunity at hand. It reminds me of a quote by President John F. Kennedy. "The Chinese use two brush strokes to write the word 'crisis'. One brush

stroke stands for danger, the other for opportunity. In a crisis, be aware of the danger but recognize the opportunity."

Alliances are more than simply filling needs. They are opportunities to build strong, long-term relationships that provide health to shared economies. Strong integrity based alliances continue to expand in value, benefits and reach. Sponsors, *who stand with us, experience the strength*—that is the ACHD Sponsorship Alliance Program.

For additional information about the ACHD/ALPHA Fund Sponsorship Alliance Program, please contact Pamela Eck, Marketing Project Specialist, pame@achd.org, 916.266.5204. ▲



G.L. Hicks Financial, LLC

Specialties:

- Design and Implementation of Financing Strategies
- Develop Integrated Capitalization Analysis
- Secure Commercial and Government Insurance Products
- Design and Implementation of Bond Financing Strategies
 - Revenue and General Obligation Bonds
 - Certificates of Participation
 - Master Indentures
 - Advance Refundings
 - Variable Rate Debt

Call Today!

Tel: 801.225.0731
 Fax: 801.225.0958
 gary@glhicks.com
 www.achd.org/marketplace

Annual Meeting

Rising Stars Will Shine at the ACH

Ever since our last Annual Meeting ended in 2007, ACHD staff has been busy ‘checking out the stars’ in anticipation of its 57th Annual Meeting coming up October 1-3! We’re *very* excited to announce a full line-up of stars at this year’s Annual Meeting. This year’s program promises dancing stars, stars with flare, and *Rising Stars*, all coming to you soon at the U.S. Grant Hotel in San Diego!

Above the cloud
with its shadow
is the star with
its light.

Victor Hugo,
creator of *Les
Misérables*

Our featured line-up starts Wednesday night at the Chair’s Reception where you’ll participate in the night’s exciting event, *Dancing With the Stars*. Two couples will compete to win a fabulously coveted “Dance Star” trophy. Your vote will really count as you’ll help judge the contest and determine the winner! But don’t think that *all* you’ll do at *Dancing With the Stars* is watch and vote. Audience participation will be encouraged as professional dancers take volunteers for dancing lessons during the *Dancing Star Break* (that’s a commercial break...not a dance). You could be the next *Dancing Star*!

Hopefully your starry night doesn’t keep you out *too* late because you’ll need your rest for the AB 1234 training early Thursday morning. If you are a new Trustee (sworn in, in 2008), or if the last AB 1234 training you took was

in 2006, then you are required to take the training (again) by December 31, 2008. You can get your training here, at ACHD’s star-studded event!

Talking about a star-studded event, stars will be shining everywhere at Thursday’s award-winning luncheon. This will be *the event* when those who beam the most of innovative, collaborative, and brilliant radiance are recognized with a well-deserving award as our bright and *Rising Stars*.

It is true that the brilliancy of a single star can make a big difference in the darkness of the night. To be that shining star...the one beaming with brilliancy...you’ll not want to miss Thursday’s workshop sessions! *Your 15 Minutes of Fame* will feature three different innovative programs with a “live show” host and audience participation. And on the more serious side of business you’ll also hear from Moss Adams, Health Strategies Solutions, and Valley Emergency Physicians—all focusing on ways that will help you improve your District’s bottom line. It *is* in the stars that should you follow their lead you *will* find your night much brighter!

“*Starry, starry nights*” will take you away once again...only this night into the Exhibitor’s Tradeshow, where solutions and winning are synonymous! Once again sponsors and vendors will



Willie Brown



Barry Wishner

D 57th Annual Meeting

feature their most outrageous and newest products and services in ways that will help you see that wishes really can come true. If you're wishing for a new, innovative approach to bringing in new revenues or ways to be more efficient, or if you're just one of those who likes to dream and envision with more clarity, then you'll not want to miss the stars that will be out this night.

However, for those of you who may miss seeing the stars, you *will* see one of the *biggest* stars *ever* presenting at an ACHD Annual Meeting! Starring at this year's Legislative General Session Friday morning will be "American Political Figure" Willie Brown! Former Assemblymember, Speaker of the House, and San Francisco Mayor Willie Brown will take the stage at the *First Annual Dr. Jack Hardebeck Lecture*, sponsored by Grossmont Health Care District. Mr. Brown will address political issues of interest to you and your Health Care District, and promises—as he *is* Willie Brown—to present with brilliant flare.

Whew! *How will we end this show?*, you might ask.

With motivation, inspiration and, of course, fun with BETA Healthcare Group's Featured Luncheon speaker, Barry Wishner. Barry's presentation, *DONE! Stop Talking, Stop Waiting, Start*

Doing is guaranteed to leave you with a rekindled sense of adventure and the urgency to overcome inertia and achieve remarkable results. *You* can be the next *Rising Star*.

In essence, you will be showered

with star-filled fun entertainment and rewarding experiences at the ACHD 57th Annual Meeting. So register today! And don't forget to make your hotel reservations!!! We hope to see all of you—our *Rising Stars*—soon in San Diego! ▲

ACHD 57th Annual Meeting Program Overview

Wednesday, October 1st

ACHD Annual Golf Tournament

ACHD Board Meeting

Chair's Reception / *Dancing With the Stars*

Thursday, October 2nd

AB 1234 Training

State of Association / Elections

Star Awards / Luncheon

Afternoon Workshops:

Your 15 Minutes of Fame

Identifying, Assessing and Prioritizing Risks

Provider AT Triage: A Revolutionary Change in Emergency
Department Patient Throughput

Successful Competitive Strategy: How to Win Market Share

Exhibitors' Cocktail Reception

Friday, October 3rd

General Legislative Session—the First Annual Dr. Jack Hardebeck
Lecture, Featuring Willie Brown

BETA Healthcare Group Featured Speaker, Barry Wishner

Advocating, Educating, and Promoting Su

ACHD is the *only* association that solely represents California Health Care Districts. At the capitol, on the DSH Task Force, and in all our regulatory and legislative meetings, ACHD advocates, educates, and promotes success for all California Health Care Districts. What we do....

Advocating

ACHD staff spends much of its time on legislative advocacy. In a letter sent this past May to Health Care Districts (HCDs) from ACHD's CEO, Ralph Ferguson explained much of what we have accomplished these past few months. "On May 15, 2008, the California Assembly voted (65-8 with 7 not voting) to approve Assembly Bill (AB) 1944 (Swanson) (the bill that would allow *all* California Health Care Districts to hire physicians). AB 1944 passed all three policy committees in the Assembly and eventually won strong bipartisan support on the Assembly floor, despite the relentless opposition of the California Medical Association (CMA). This victory in the Assembly against the allied forces of CMA—the organization that annually ranks in the top three in campaign contributions in California—is one of the most significant political achievements in the history of ACHD."

Unfortunately, Assembly Member Sandré Swanson (D) withdrew AB 1944 from reconsideration in the Senate Health Committee on June 25th. Tom Petersen, Director of ACHD Government Relations, explained, "The

action was tactical in nature, and reflected the Author's assessment that, should the Bill get out of Senate Health, key Senate Democrats and Republicans would align and not pass the bill off the Senate Floor. ACHD's Legislative staff concurred with this assessment and supported the withdrawal with the understanding that ACHD will reintroduce similar Legislation in the near future."

In addition, Mr. Ferguson also explained that, "ACHD also responded quickly to the almost overnight enactment of substantial cuts in MediCal reimbursement and delays in MediCal payments that immediately threatened the solvency of a number of our smaller Hospitals. Our three month legislative campaign to exempt rural District Hospitals from the MediCal payment delays appears to have been partially successful; the scheduled August 2008 payment delay was rescinded. However, the predicted failure of the Legislature to finalize a State budget in July would likely result in the delay being re-implemented. ACHD is pursuing all available options to protect rural Districts from these devastating delays."

And, for those who've met

Jack Burrows, ACHD's Director of Executive Services, you know that he is a big advocate for HCDs. Jack travels extensively throughout the year making more than 40 visits with CEOs and senior executives to find out how the Districts are doing, and to learn how he might help them improve their bottom line. Jack's area of focus lately has been to try and improve HCDs' opportunities to provide (more) healthcare services to California prison inmates. Jack also works closely on the DSH (Disproportionate Share Hospitals) Task Force to ensure maximum funding opportunities to HCDs' critical access hospitals; and he gets involved with many other projects that have potential to improve the Districts' bottom lines.

In addition to the many hours that the ACHD Legislative Team puts into watching, alerting, advocating and lobbying, they are also involved in ACHD's annual Legislative Day program. Held this past April in Sacramento, District Trustees and executives came together to advocate on behalf of all California Health Care Districts. After briefings on the issues by ACHD's Legislative team, attendees met with their legislators and discussed the impacts of potential MediCal cuts, the need to be able to hire their own physicians, and other legislative issues affecting HCDs.

Educating

ACHD believes that an educational program should be more than just educating attendees. That's why ACHD places significant focus on providing a program that gives attendees a sense of unity and greater purpose—that which

ccess for Health Care Districts

serves beyond individual boundaries and District borders. ACHD accomplishes this most particularly at its Leadership Education Program. (The next program is scheduled for Spring 2009.) In a small group setting, (up to 20-25), this program provides first term trustees with the leadership education they need to start truly making a difference. On the more government-mandated side of things, AB 1234 Ethics training will also be a part of this program for those Trustees elected in November 2008 or early 2009.

Educational programs are also primarily included at the ACHD Annual Meeting—the next one is coming up soon, October 1-3 at the US Grant in San Diego. Look for additional educational opportunities coming to you via telephone and internet conferencing this next year. Please send us (info@achd.org) your email address to be notified of future conferences.

Promoting Success

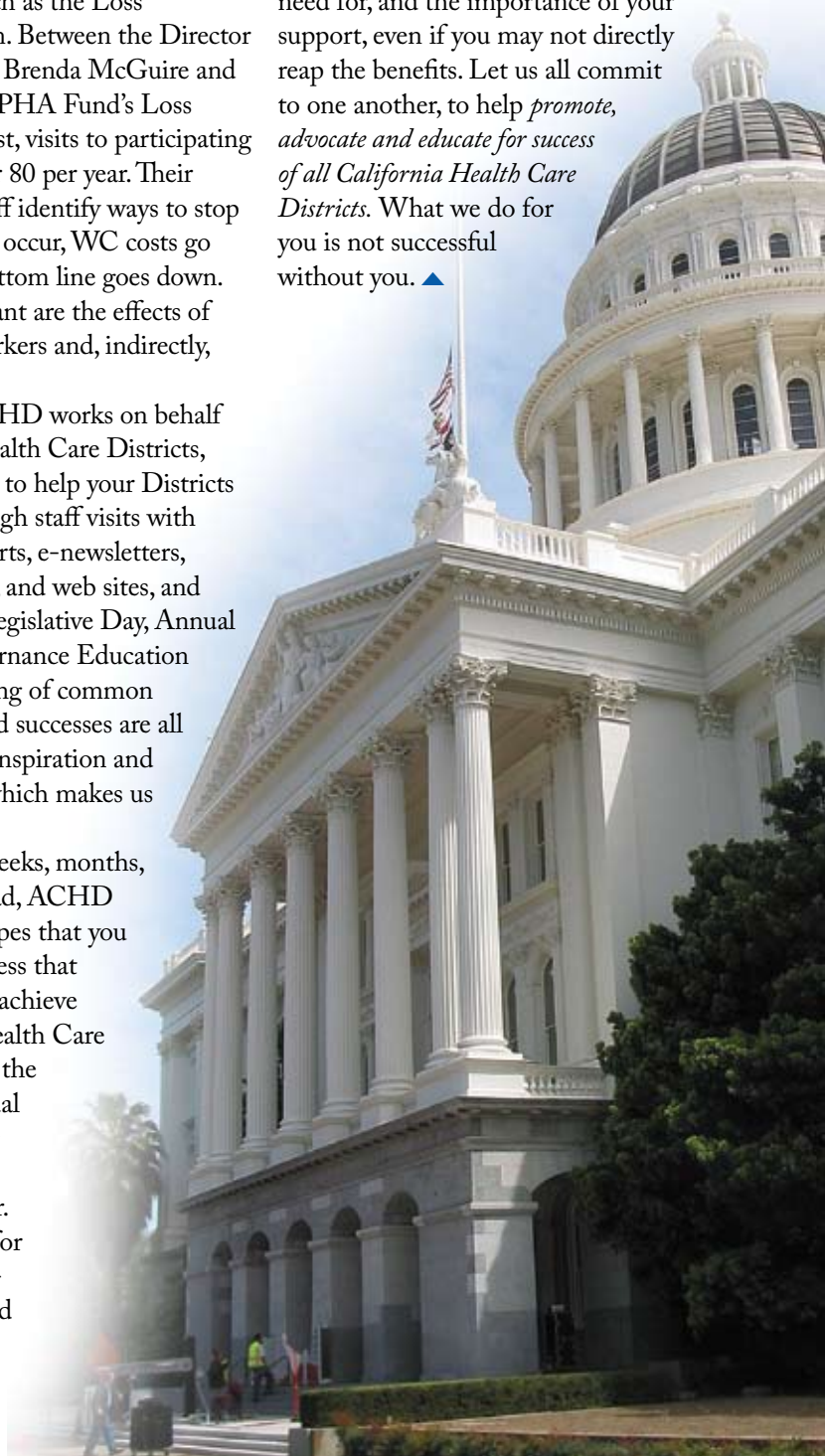
ACHD is committed to improving the financial viability of California Health Care Districts. Beyond its legislative advocacy and educational programs, ACHD also offers District Members a viable means to help keep Workers' Compensation (WC) costs down through participation in the ALPHA Fund and the DELTA Group. ALPHA Fund is a self-insurance pool that provides WC coverage for HCDs and nonprofit health care entities. DELTA Group provides third party administrative services to self-insured District Members. ALPHA Fund and DELTA Group Participants have access to services beyond that

of traditional insurance without the additional costs, such as the Loss Prevention Program. Between the Director of Loss Prevention, Brenda McGuire and Sharon Weech, ALPHA Fund's Loss Prevention Specialist, visits to participating HCDs average over 80 per year. Their mission: to help staff identify ways to stop losses. When losses occur, WC costs go up, and then the bottom line goes down. But equally important are the effects of injuries on your workers and, indirectly, your customers.

In summary, ACHD works on behalf of all California Health Care Districts, doing all that it can to help your Districts be successful. Through staff visits with Districts, e-mail alerts, e-newsletters, updates, magazines, and web sites, and even the ACHD Legislative Day, Annual Meeting, and Governance Education programs, the sharing of common goals, hardships, and successes are all attributable to our inspiration and motivation—that which makes us all *Rising Stars*.

In the coming weeks, months, and even years ahead, ACHD /ALPHA Fund hopes that you commit to the success that we are all trying to achieve on behalf of our Health Care Districts. Join us at the ACHD 57th Annual Meeting and at our various programs throughout the year. And when we call for help through our e-mail alerts, faxes and

letters, we hope you will understand the need for, and the importance of your support, even if you may not directly reap the benefits. Let us all commit to one another, to help *promote, advocate and educate for success of all California Health Care Districts*. What we do for you is not successful without you. ▲





Collaboration, Innovation, and Success

OUR DISTRICT STARS

These days it seems all we read and hear about with respect to healthcare is what's 'wrong with it,' and how to 'fix it.' Many propose that the government should be responsible (solely or partially) to 'fix it' while others think that the government can't fix much of anything, let alone a system so deeply intertwined with politics, greed, and money that the only ones getting 'fixed' are those holding the strings.

What is more worthy to focus on, however, are the *real* fixes. You. You're the ones fixing people every day. You're the ones on the front lines fighting the war that keeps the rest of us healthy, some wealthy, and a few more wise. It is you, the leaders in our Health Care Districts that implement the innovative ideas, pull together collaboratively, and seek success. It is you and what you do that we need more of in our healthcare system to help 'fix it.'

ACHD salutes you! Your success means hope for others...our *Rising Stars*. Here's what you've all been doing....

Act as if what
you do makes
a difference.
It does.

William James

COLLABORATING Business Emergency Response Initiative Symposium a Huge Success

For the first time in North County, cities, the County of San Diego, and the business community came together to plan, implement and learn how to mitigate the next disaster or emergency that could strike the Tri-City region. The Business Emergency Response

Initiative (BERI) Symposium was presented by Tri-City Medical Center, and was co-sponsored by the Carlsbad, Oceanside, San Marcos and Vista Chambers of Commerce, the San Diego North Economic Development Council and KOCT – Oceanside Community Television.

"The purpose of the BERI Symposium was to motivate, encourage and assist local businesses in preparing

for natural disasters and emergencies,” said Jeff Segall, Director of Public Affairs for Tri-City Medical Center. “We learned after the October wildfires [last year] that businesses, specifically the local hospital, play an important role in disaster mitigation. If the hospital isn’t open, where do you go in an emergency? What better partnership than Tri-City Medical Center and the business community to plan and learn how to better prepare ourselves for future disasters and emergencies.”

The program, led by panels of experts, included topics such as successful business resumption planning, business support of community disaster and adapting the CERT model to business. It also gave the 180 business leaders in attendance the chance to ask questions and provide feedback on possible next steps to implementing elements presented in the program, such as creating a consortium to unite in a regional disaster preparedness effort. “I look forward to working with the business community and emergency services agencies in the coming months to begin the development of such a consortium,” Segall added.

The BERI Symposium provided a unique opportunity to demonstrate Tri-City Medical Center’s ability to originate live programming and broadcast to the community in real time. The entire Symposium was broadcast and web streamed live by KOCT—Oceanside Community Television.

To learn more about Business Disaster Planning or to get one of the Business Disaster Planning Toolkits that were provided at the BERI Symposium, go to <http://www.sdcounty.ca.gov/oes/ready/business>. For more information about the Business Emergency Response Initiative, contact Jeff Segall, Director of Public Affairs, Tri-City Medical Center, at (760) 940-5337.

North Bay District Hospitals Form JPA

Sonoma Valley Hospital this past year launched a “first-of-its-kind” innovative collaborative effort from which was formed a JPA (joint powers agreement) between four Health Care Districts: Sonoma Health Care District, Palm Drive Hospital District, North Sonoma County Hospital District and Mendocino Coast District Hospital. The JPA allows these Districts to work cooperatively through the legal entity named, the Northern California Health Care Authority.

This collaboration will serve the smaller, rural District Hospitals well, helping to improve their financial strength. A major benefit is the increased negotiating power these Districts will have when it comes to seeking reimbursement rates from insurance companies. Further, the Districts plan to share operational costs—everything from staff to equipment.

One of the goals of the Districts is to link their computer systems to allow access of patients’ records at any of the facilities via electronic medical record, and allow the Hospitals to link with outside laboratories and medical groups. The Districts are also looking into ways to save money on employee benefits and insurance, joint

Continued on page 14

By working together,
pooling our resources
and building on our
strengths, we can
accomplish great things.

Ronald Reagan



LEADERSHIP
AND
EXPERIENCE
TO HELP
HOSPITALS
THRIVE



BRIM

THE
HOSPITAL
MANAGEMENT
ALTERNATIVE

ACHD SPONSOR

COMMITTED TO CALIFORNIA
HEALTHCARE DISTRICTS
SINCE 1987

800/228-0647

www.brimhealthcare.com

District News

Continued from page 13



purchasing of supplies and equipment, physician recruitment and retention, and joint contracting with Medicare and MediCal.

Cisco Joins Forces with Palomar Pomerado Health to Open 'Hospital of the Future' Three Years Ahead of Schedule – in 'Second Life'

Cisco® and Palomar Pomerado Health (PPH) cut the ribbon on a new hospital in the online virtual world "Second Life." The virtual hospital, a simulation of a real-world hospital campus due to open in 2011, gives visitors the opportunity to tour the hospital years before its doors actually open.

The virtual hospital showcases the rich assortment of design and technology innovations planned for the real-world Palomar Medical Center West Campus in Escondido, Calif. The immersive quality of "Second Life" allows visitors to experience the progressive nature-embracing design of the hospital first hand. Visitors will also be able to experience Connected Hospital technologies that will be delivered in the real hospital by Cisco.

Hi-Desert Medical Center's Continuing Care Center Participates in Statewide Culture Change Pilot Project

The Continuing Care Center (CCC) at Hi-Desert Medical Center has been selected as one of 12 California long-term care facilities participating in the California Coalition for Cultural Change. The CCC is participating in the "Person-Directed Dining Pilot Project."

As part of this project, staff is receiving instruction on a new menu and organizational flow to provide residents with more food choices and dining options, including restaurant style dining and buffet dining. As a pilot facility, the CCC is given technical support to implement their selected practice in the form of resource materials, telephone support, regulatory and clinical guidance, and training in culture change concepts, all provided by the California Coalition for Cultural Change.

INNOVATING Model for Rural Hospital Intensive Care Units For The Future May Be Here Today

Dr. James Gude and Healdsburg District Hospital have been developing a multi-hospital model that could be the answer that helps keep ICUs in small rural hospitals from becoming "an endangered species," as suggested by Dr. Gude. Gude, who heads OffSite Care (a physician practice via Remote Presence) and is the medical director of Healdsburg Hospital, led the installation of Philips' digital monitoring robots at Palm Drive District Hospital in Sebastopol, Howard Memorial Hospital in Willits, and Healdsburg District Hospital. The robotics offer a wide range of diagnostic tools to off-site consulting Intensivists and other specialists. The Philips technology includes a camera for visual inspection of the patient, a stethoscope for auscultation and ultrasound

equipment for more detailed examination of the heart, lungs or abdomen and other vessels. Additionally consulting Intensivists can use electronically transmitted medical records, e-rays, as well as CT and MRI scans.

Additionally, Healdsburg District Hospital and its partner hospitals utilizing the robotics telemedicine will be offering elective ICU rotations for 2nd and 3rd year residents to participating hospitals. This offers the promise that some of the residents may choose to continue working at one of these (rural) facilities after their residency. The North Coast faces the retirement of almost half of its Doctors in the next five years; such initiatives are key to attracting new doctors to these rural areas.

Further, Healdsburg District Hospital was selected to be one of the hubs of the FCC funded new "state of the art" medical internet system. This system will connect Rural California Critical Access Hospitals to most of the State's premier teaching hospitals, allowing north coast hospitals and clinics to call upon a broader range of specialist support, and provide an even higher quality of care to their patients.

Submitted by Kurt Hahn, Board Member, North Sonoma County District

Salinas Valley Memorial Physicians to Implant First MRI Compatible Pacemakers

Physicians at Salinas Valley Memorial Healthcare System are participating in a national research project studying the first pacemaker system designed for safe use in an MRI. The Medtronic EnRhythm MRI™ SureScan™ pacing system was implanted in two patients this past April, by Harlan Grogan, MD, as part of a clinical trial directed by Timothy Albert, MD. The clinical trial is a prospective, randomized, controlled, unblinded, multi-center study, involving 470 individuals. Salinas Valley

Memorial is one of two California hospitals participating in the study.

Palomar Pomerado Opens Two expresscare Health Centers

Palomar Pomerado Health (PPH) is the first health system in southern California to establish retail health centers by partnering with Albertsons/Sav-on Pharmacy, and opening two in-store health centers. Based on the PPH Community Health Check report, access to medical care is one of the top health issues facing communities in San Diego County. "The PPH expresscare centers are designed to address standard health needs that require immediate attention, including common illnesses, vaccinations, screenings, skin conditions, minor muscle and joint problems, and routine physical exams," says Donald Herip, M.D., MPH, Medical Director of Corporate Health at Palomar Pomerado Health.

Basic health-care services are provided to patients by family nurse practitioners who have completed advanced education and training in the diagnosis and management of common medical conditions. The nurse practitioners work in collaboration with board-certified family physicians affiliated with PPH.

SUCCEEDING Hi-Desert Medical Center Opens Morongo Basin's First Infusion Clinic

In response to community and physician requests, a new infusion therapy clinic has opened at Hi-Desert Medical Center. The outpatient clinic will provide medication therapies and blood products including transfusions. Not to be confused with a pain clinic or chemotherapy clinic, the infusion clinic will supply IV medications and newer therapies such as those currently marketed as once-a-year treatments for osteoporosis. Other typical procedures

include treatment for chronic anemia and IV antibiotics for chronic infections. The clinic will be staffed by specially trained RNs familiar with the newest IV medications, and will feature new bedside charting of procedures.

Tri-City Medical Center Opens New Center for Wound Care and Hyperbaric Medicine

Tri-City Medical Center recently accepted its first patients at the newly opened Center for Wound Care and Hyperbaric Medicine, making it one of the few in the county to use hyperbaric oxygen therapy to treat patients with non-healing wounds. The Center has two hyperbaric oxygen chambers that will be used to treat patients with various difficult-to-heal wounds.

"The creation of the Center allows for the use of a multi-disciplinary medical team approach to treat patients who have these unique wounds and sores," said Vernon Pertelle, senior director & assistant vice president, Tri-City Medical Center. "The team consists of a panel of physicians who are specialists in the fields of interventional radiology, vascular surgery, general surgery, infectious disease, emergency medicine, geriatric medicine, podiatric medicine & surgery, endocrinology, internal medicine and nutrition,

pulmonary medicine, certified wound nurses, and hyperbaric oxygen therapy technicians.

Pioneers Opens New Wound Care Center

Pioneers Memorial Healthcare District announced the opening of its new program for wound care and hyperbaric medicine. The Wound Care Center at PMHD is an out-patient, hospital-based program that works in conjunction with the patients' primary care physicians serving as an adjunctive service for the referring physician and specializing in the treatment of problem wounds. PMHD has partnered with Diversified Clinical Service, a national wound care company focused exclusively on collaborating with hospitals to establish and manage comprehensive wound healing centers. As one of the

Continued on page 16

A tax election can be a wild ride. TRAMUTOLA will help you navigate through the rough spots.

A successful tax election can generate millions of dollars to fund the construction of a new hospital, expand or renovate existing facilities, support operational needs or pay for SB 1953 compliance.

But tax elections are also full of unseen hazards that can throw you off course and overturn your best efforts to be successful.

With almost 200 tax election wins that have generated over \$20 billion for our clients, TRAMUTOLA can guide your tax election through the rough spots.

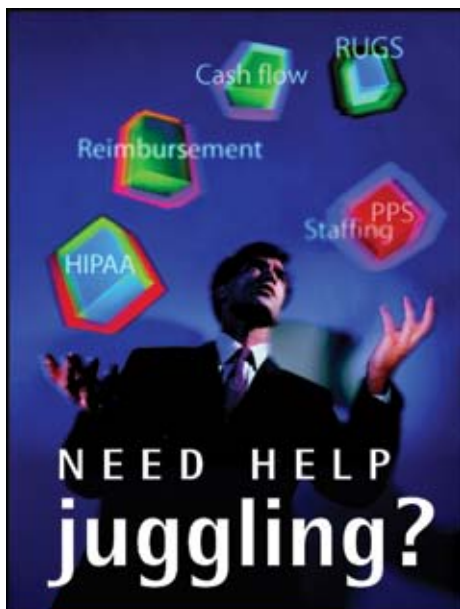


TRAMUTOLA – California's
Tax Election Experts.

TRAMUTOLA
THE DISCIPLINE OF WINNING

191 Ridgeway Avenue • Oakland, CA 94611 • tel: 510-658-7003 • fax: 510-658-7302

www.tramutola.com



we make it look easy

Since 1991, California healthcare districts have counted on HFS. When they needed a CFO or business office manager, board education or even help starting a new district, we were there. The HFS team is proud of its expertise in the areas of:

- Hospital Management
- Hospital Turnarounds
- Clinical Operations
- Business Services
- Health Information Management
- Accounting
- Mergers & Acquisitions and Financing
- Licensing and Program Development
- Reimbursement
- Recruitment and Interim Staffing

We've worked with every kind of district facility, from urban hospital to rural health clinic to assisted living facility. Make our team part of your team for success and growth!



505 Fourteenth Street, Fifth Floor
Oakland, California 94612-1912
T 510.768.0066
www.hfsconsultants.com

Continued from page 15

largest wound healing services, the partnership offers evidence-based clinical quality, high levels of patient satisfaction and integrated service. Diversified has partnerships with over 250 hospitals throughout the United States.

Palomar Pomerado Health Opens New Women's Center

Created to treat a woman's body, nourish her mind and rejuvenate her spirit, the new Jean McLaughlin Women's Center for Health and Healing combines the most advanced technologies for diagnosis and treatment, with personalized, compassionate care provided in a peaceful, healing environment. Featured programs include a comprehensive breast center, perinatal testing center, wellness center, lactation consultation, nutrition/weight management, and services focused on heart, bone and bladder health as well as stroke and diabetes prevention. In addition, the Center is the site for numerous women's health education classes and the Women's Health Connection Boutique and Resource Center.

WINNING

Antelope Valley Hospital Receives National Award

Antelope Valley Hospital (AVH) was been named a National Award winner in healthcare service quality for exemplary service, most improved loyalty and endorsement of the obstetrics department for 2007 by Avatar International Inc., a leader in healthcare research and consulting. In making the announcement, Dr. Michael Everett, Avatar Founder and CEO said, "Antelope Valley Hospital is obviously taking very seriously the two key service outcomes of patient visits for Obstetrics: (1) would patients recommend your medical center to friends and neighbors, and (2) would they return themselves

if care is needed in the future. Their improvement efforts have resulted in patients significantly increasing their rating of Antelope Valley Hospital on these key outcomes, reflecting patients' increased confidence in the staff and services. Congratulations for this significant accomplishment."

"Focusing on the quality of care has been the backbone of this facility; but in the past, we've sometimes lost sight of the human element and how important it is to treat the mind and spirit, as well as the body," explained Edward Mirzabegian, AVH Chief Executive Officer. "In the last year, we have put significant focus on putting the patient first and becoming the hospital of choice by providing a high-level of service with care, compassion and respect. This award reinforces that we're shifting our focus in the right direction and our patients are noticing the improvement."

Salinas Valley Memorial Healthcare System honors Employee of the Year and Nurse of the Year

Kathryn Maurer, RN, received the honor of being named Nurse of the Year 2008. Kathryn is a member of the "Float Pool" at SVMHS, which means she works in various departments throughout the hospital. Kathryn graduated from the Maureen Church Coburn School of Nursing at Monterey Peninsula College in 1995 and joined Salinas Valley Memorial that same year. Kathryn has earned the respect and admiration of her peers, as a nurse, a teacher, a mentor and a leader in promoting excellence in patient care. She actively fosters and contributes to a positive, caring environment wherever she goes. Nurses are nominated by their coworkers for this honor, and must possess outstanding patient care skills and professional standards as well as

extraordinary motivational and leadership qualities. They are patient, caring mentors to their colleagues and tireless advocates for the profession of nursing.

Eleanor Navarro was named Employee of the Year 2008. Eleanor is a clinical assistant in the Emergency Department at Salinas Valley Memorial. Since joining the SVMHS team 34 years ago, Eleanor has championed excellence and safety in patient care. She has served as a true role model for staff and an advocate for patients and their families. Eleanor is known for her kindness, compassion, sense of humor and her willingness to share her knowledge and experience with others. She is equally comfortable in conversing in English and Spanish. Eleanor goes many extra miles to care for patients, pitch in wherever needed and support and inspire her co-workers.

Two District Hospitals Receive Award for Excellence in Heart Care

The American Heart Association and the American Stroke Association awarded

Alameda Hospital a Performance Achievement Award for excellence in the care and treatment of Coronary Artery Disease (CAD). Get with the Guidelines (GWTG) is the largest national hospital-based quality improvement program for the American Heart Association and the American Stroke Association. This premier program empowers healthcare provider teams to consistently treat heart and stroke patients according to the most up-to-date evidence-based guidelines.

In addition to this premier recognition award, Alameda Hospital recently received "Five Star" recognition for outstanding clinical excellence in Cardiac Care, Pulmonary Care, Stroke Care, and Critical Care by HealthGrades. HealthGrades analyzed discharges from every U.S. hospital and published its results in The Tenth Annual HealthGrades Hospital Quality in America Study (2007). HealthGrades' star rating system tells consumers whether

a particular hospital's performance is "best" (5-star), "as expected" (3-star), or "poor" (1-star) on a particular procedure or condition.

The American Heart Association also presented the Get With the Guidelines (GWTG) Award to the **Salinas Valley Memorial Healthcare System** Board of Directors for the hospital's performance achievement in cardiac patient care. The award recognizes Salinas Valley Memorial's commitment and success in implementing a higher standard of cardiac care that effectively improves treatment of patients hospitalized with coronary artery disease.

Hospitals that continually meet or exceed the nationally accepted standards, or guidelines, improve their quality patient care by turning guidelines into lifelines. Projections have shown

Continued on page 18

Best Team, Best Services, Best Practices . . .

*We have been here for over 25 years ... that is
a track record you can trust!*

Premier Staffing and Management!

Physician Owned and Managed!

EXCELLENCE IN MEDICAL SERVICES

Valley Emergency Physicians

Currently serving
23 clients in Northern
and Central California
& Texas!

Contact:
Steve Maron, M.D.
President
510.436.9000

Board Certified / Eligible
EM; FM; IM; CC and
Allied Providers!



Hospitalist Services Medical Group

Currently serving
4 clients in Northern
California!

Contact:
Laura Holland
VP Operations
510.436.9000

Visit us at www.valleyemergency.com and then click on the puzzle piece to stop in at Hospitalist Services to find out more about our quality care and service!

District News

Continued from page 17



that implementation of cardiovascular disease secondary prevention guidelines nationwide, as promoted in the GWTG program, could result in saving more than 80,000 lives each year.

CEO Receives State Award

Dale A. Kirby, Chief Executive Officer of Colusa Regional Medical Center in Colusa, California, is the 2007 recipient of the Rural Community Leadership Award of the California State Rural Health Association. Kirby was selected as this year's award recipient for his leadership in guiding Colusa Regional Medical Center through one of the most difficult periods in its 130 year history. Following a 1999 bankruptcy filing and 2000 change of ownership, Kirby led CRMC to become one of northern California's most successful rural hospital and health systems.

The award also cited Kirby's contributions to several local and regional health organizations, including as a founding director of Healthy Kids/Health Future, a non-profit organization that provides low cost health insurance

to underprivileged children within the four-county region of Colusa, El Dorado, Sacramento and Yuba counties. He serves on the board of directors of the Hospital Council of Northern and Central California, which represents over 600 hospitals in our region, and was appointed to serve as a delegate to Governor Schwarzenegger's Health Information Technology Forum held in Los Angeles.

CEO Named Health Care Professional of the Year

Jane Rozanski, Chief Executive Officer of the Camarillo Health Care District, was named the 2007 "Health Care Professional of the Year," by the Ventura County Medical Resource Foundation. This award recognizes a person whose professional efforts are dedicated to improving the health and welfare of the community in which they serve.

Under Ms. Rozanski's 15 years of leadership, the district has been awarded the Outstanding Special Achievement Award from the Association of California Healthcare Districts, and Camarillo Service Organization of the Year from the Camarillo Chamber of Commerce. She has been honored as Woman of the Year by the California Legislature and, most recently, as General Manager of the Year by the California Special District Association.

Family Friendly Employer Award

The Business Work-Life Alliance of Ventura County awarded the Camarillo Health Care District status as a Family Friendly Employer for the third consecutive year. This award recognizes the commitment of the District Board of Directors to maintaining a work environment conducive not only to business efficiency and productivity, but also an environment that promotes

a sense of importance, belonging and personal success for staff.

Palomar Pomerado Health Receives Grant to Assess Workforce Shortages

Palomar Pomerado Health's (PPH) "Grow Our Own Medical Employee Development" (GO-MED) Program is the recipient of a \$284,000 grant awarded by The California Endowment to the Palomar Pomerado North County Health Development, Inc. GO-MED is a comprehensive fast-track program that offers various curriculums to local high school and college students through health academies, internships, scholarships, and mentoring and professional development. The California Endowment funds will assist Palomar Pomerado Health's (PPH) efforts to encourage young students into health-care careers while addressing key policy and program barriers to improving workforce diversity.

PPH has invested nearly \$3 million since the launch of GO-MED in 2005, using the funds to build the only four-year nursing school in North San Diego County—the Bachelor of Science in Nursing program at California State University San Marcos.

BCHD Recognized for Budget Reporting Practices

The Beach Cities Health District received a Meritorious Operating Budgeting Award from the California Society of Municipal Finance Officers (CSMFO) in recognition of its 2007-2008 operating budget.

The CSFMO annually grants awards in six different categories to organizations whose budget documents meet certain statewide standards considered to be of the highest quality. BCHD is the only health care district to receive an award this year. "This award represents a significant achievement

by the District,” said Steve Groom, finance director at BCHD. “The effort to seek and attain this award reflects the District’s commitment to meet the highest standards of governmental budgeting and reporting.”

Pathway to Excellence Designation Awarded to Tahoe Forest Hospital

Tahoe Forest Hospital received the national American Nurses Credentialing Center’s (ANCC) “Pathway to Excellence” designation. The award recognizes healthcare organizations that are committed to nursing satisfaction through established programs that value their contributions in the workplace and identifies best places to work as determined by the nursing staff.

“The ‘Pathway to Excellence’ recognition is a proactive environment that sets the standard for nursing excellence,” said Sandi Golonka, RN, MSN, chief nursing officer. “More importantly, it validates to our nurses that the policies put in place by Tahoe Forest Hospital have a positive impact on the overall healthcare environment.”

“We strive to create an environment where our nurses are allowed to flourish,” said Bob Schapper, Chief Executive Officer of Tahoe Forest Health System. “Nurses are the backbone of our facility and the face of our healthcare system. We’ve worked closely with our nurses to ensure that they have the support, tools and resources available to provide the best level of care possible. We’re thrilled that the initiatives are proving valuable so that our nurses can deliver perfect care to our patients.”

Palomar Medical Center Earns Bonus for its Top Performer Status

The Centers for Medicare & Medicaid Services (CMS) and Premier

Healthcare Alliance has named Palomar Medical Center (PMC) a top performer in a pay-for-performance (P4P) project that rewards hospitals for delivering higher quality care in five clinical areas. Due to its achievements, PMC will receive a bonus payment of \$77,728 from CMS, which is the highest financial award in the state.

“Our success in this project is a reflection of the hard work, dedication and quality of our physicians and nurses,” says Gerald Bracht, Chief Administrative Officer, Palomar Medical Center. “Our communities deserve the highest level of quality care, and we are committed to serving them by pushing ourselves to be leaders in health care.”

“Hospitals participating in the HQID project make quality a top priority from the hospital board on down,”

said Stephanie Alexander, Premier senior vice president. “These top-performing hospitals – small and large, urban and rural, teaching and non-teaching – have demonstrated a continuous and sustained improvement, and we commend them for their dedication to provide the highest-quality patient care.”

For additional information about the HQID project, visit com.www.qualitydemo.com.

CEO Elected to American College of Healthcare Executives Council of Regents

Michael H. Covert, F.A.C.H.E., president and CEO of Palomar Pomerado Health (PPH) will lead the San Diego and Imperial Counties Chapter of the American College of Healthcare Executives (ACHE) as the new Regent. A membership of nearly 400 healthcare executives appointed Covert to the Council of Regents, which serves as the vital link between the ACHE and affiliates by approving governance and membership regulations as well as promoting ACHE programs, services and activities within their respective areas. This is the second time in Covert’s illustrious healthcare career that his colleagues have elected him to serve on ACHE’s

Continued on page 20

Specializing in handling
the banking and financial relationships for
Healthcare Districts and other
public agencies throughout California.



DEPOSIT SERVICES • CASH MANAGEMENT
INVESTMENT SERVICES • MUNICIPAL FINANCING

Citizens Business Bank is a top-rated financial institution with locations in Riverside, San Bernardino, Orange and Los Angeles counties and the Central Valley region of California. By concentrating on providing premium quality financial services, we were named the Top Business Bank in the Nation by U.S. Banker Magazine in 2007.

PLEASE CONTACT DEBORAH GEORGE,
SENIOR VICE PRESIDENT AND MANAGER AT
(888) 305-1222 OR DAGEORGE@CBBANK.COM.

District News

Continued from page 19

Council of Regents. Covert served as Regent from 1995 – 2000 for the West Central Florida District, where he was president and chief executive officer of the Sarasota Memorial Health System and Subsidiaries.

SUPPORTING COMMUNITY HEALTH Tri-City Healthcare Grants Total \$300,000

The Tri-City Healthcare District Board of Directors awarded grants totaling \$300,000 to 22 non-profit community agencies. Some of the recipients included:

- Canine Companions for Independence
- Children's Domestic Violence Intervention and Prevention Services
- Caregiving Program
- Project Choice, For Girls Only, a pilot 10 week youth program for girls 10 years and up, at-risk and/or first time offenders for academic failure, gang association, crime and violence, substance abuse, teen pregnancy, and are found to be socially illiterate and in need of positive anger resolution skills.
- Therapeutic Riding Program for children with special needs.
- Nurse Case Management Program that provides nursing support for adult clients with developmental and learning disabilities by coordinating and providing information at medical and dental appointments.
- Growing a Healthy and Safe Community Program, a community garden and nutrition pilot project for residents.
- Oz North Coast's Runaway and Homeless Youth Shelter Program

El Camino Hospital District Allocates Tax Refunds to Community Health Services

The El Camino Hospital District Board of Directors agreed to allocate a set proportion of the District's annual property tax receipts each year to a hospital community benefit fund that will support community health services. The funds, estimated at \$5 million this year, will be apportioned to activities considered community health services. These include such activities as immunizations for children, the elderly and the poor; the RotaCare Free clinic, prevention programs such as screenings; the Roadrunners transportation program; educational forums; as well as programs provided in collaboration with community services, schools and health agencies.

Sequoia Healthcare District Grants \$1 Million to Community Programs

Sequoia Healthcare District board of Directors approved \$1 million in fifteen new grants through its Community Grants Program. The grants, ranging from \$25,000 to \$100,000, were awarded to:

- Advocates for Children, to provide more culturally sensitive services to foster children in the District.
- The Shelter Network to provide nutritionally well-balanced meals for children in after-school programs while teaching them healthy living habits.
- Alliance of Nonprofits for San Mateo County to help nonprofit organizations prepare for disaster response.
- Sequoia Union High School District for a credentialed school nurse.
- Redwood City School District for a Health Nurse to help screen children for tooth decay and dental exams.
- After-School Student Fitness

Program which provides nutritional counseling, athletic fitness and peer mentoring for students.

Hi-Desert Medical Center Designated "Voluntary Cooling Station"

For the ninth consecutive year, Hi-Desert Medical Center will serve as a "cooling station" for the Morongo Basin in the event of excessive heat warnings or power outages during high summer temperatures. Cooling stations are air-conditioned facilities where local residents may go for temporary relief from extreme heat.

Palomar Pomerado Health Encourages High School Students to "Dump the Junk"

Childhood obesity has been labeled as one of the most widespread medical problems in the U.S. The obesity rate among adolescents aged 12 to 19 has more than tripled in the past 20 years, according to the Centers for Disease Control and Prevention. The San Marcos Health Care Advisory Council of Palomar Pomerado Health (PPH) joined forces with students at Mission Hills High School to sponsor "Dump the Junk Week."

"Dump the Junk" highlights the importance of a balanced diet, making good food choices and engaging fun physical activity to foster a healthier lifestyle. Students through various clubs on campus lead the weeklong event with interactive activities, such as Nutrition the French Way, led by the French Club or Dancing off Calories, sponsored by the school's Hip Hop Club. "This is a unique event that is led by students. We hope it resonates and has a lasting impression on them so they can make healthy choices and prevent disease," says Tina Pope, director of community outreach for Palomar Pomerado Health.

MAKING CHANGES

Mammoth Hospital Announces New CEO

The Southern Mono Healthcare District Board of Directors appointed Gary Boyd as the new Mammoth Hospital Chief Executive Officer. Gary had been employed at John Muir Health as the Senior Vice President for Clinical and Support Services since 2002. He was one of three hospital administrators at each campus responsible for hospital operations, which include ongoing leadership of the non-nursing clinical departments for the Hospital Division of John Muir Medical Center, Walnut Creek campus, and the John Muir Medical Center, Concord campus.

For the past thirty-two years, Gary has been involved in healthcare, which includes serving as the Chief Operations Officer for Brentwood Medical Center, a 110,000-square-foot ambulatory care facility, where he was responsible for completing construction and activation of the facility. He holds a bachelor's degree from the University of San Francisco and a master's degree from San Diego State University.

Interim CEO Appointed for Hi-Desert Medical Center

Hi-Desert Medical Center's Board of Directors announced the arrival of Larry Meyer as interim chief executive officer. Mr. Meyer brings 25 years of healthcare leadership experience to this position. Along with the operation of not-for-profit and for-profit hospitals, he has an extensive background in senior/retirement housing. Mr. Meyer is currently employed as Consultant Executive Director with HFS Consultants in Oakland, where he consults for senior living facilities throughout the state. His hospital leadership experience includes Sutter Health (Sutter Tracy Community Hospital), where he was chief executive officer, and Catholic Healthcare West (Mercy Healthcare in Sacramento), where he was vice president, professional services. ▲

Whatever the vagaries of success, in the evolving world of Health Care Districts, we still seek it. *We know that a dedicated, energetic and ambitious leader is the first prerequisite of District success.* In these challenging times, no District is achieving success without such a leader.

Ralph Ferguson



Healthcare Resource Group

An Employee-Owned Company



We focus on
the full spectrum
of the revenue cycle.

TEMPORARY STAFFING
OUTPARTNERING™ SERVICES
AND OTHER SUPPORT SOLUTIONS

(800) 695-8171
www.hrgpros.com

By Jerel McQuarrie, Director of Business Development, Healthcare Resource Group

Outsourcing:

Is It the Right Fit for Your Hospital?

In today's business climate, hospitals are facing intense scrutiny and pressure to improve an ever-shrinking revenue stream. Regulations, legislative compliance, the growth of uninsured or under-insured workers, the lack of qualified resources and time to develop and monitor effective improvement programs... all have a significant impact on the performance of any hospital's business office.

Smaller rural District Hospitals face even more unique challenges. Their geographical isolation inherently compounds the challenges, and limits most traditional improvement options and solutions. Their investment and time involved to achieve goals are sometimes questioned, since most of these hospitals generally lack the resources and time to achieve their objectives.

One solution that rarely gets mentioned is to outsource all or part of the hospitals Business Office. Considering all of the options and objectives, outsourcing is possibly the most cost-effective short or long term solution available for smaller hospitals. Unfortunately, outsourcing may not be a popular option for a variety of reasons. There is no doubt that the offshore call centers have created some anxiety in most patients' minds, and the fear of losing control of the cash flow is at the top of the list for most CFO's. Some hospitals have suffered negative experiences with collection agencies masquerading as hospital business offices. There are also the fears of jobs leaving the community. Some

of these are valid concerns. However, some are simply a lack of understanding of how the practice of outsourcing works, and the positive effect it could have on your hospital's performance.

Outsourcing comes in a variety of shapes and sizes. Most popular is the strategy of outsourcing specific financial classes that are difficult and time consuming for a hospital to handle. The other is to outsource a clean-up of aged accounts that are inhibiting the days in AR. This allows the hospital to re-assign some FTEs to more lucrative and rewarding financial classes, and or high dollar volume accounts, and leaving the dirty work to an organization that has the technology, people, and systems to resolve these accounts efficiently.

Outsourcing a complete business office is becoming more and more popular for small hospitals that lack the resources, time, and tools to make significant changes in their performance. At first glance this might seem a bit of a risk when, in reality, it is a relatively low-risk proposition. If this solution could eliminate most of the internal issues, save money, and improve the hospital's performance along with many other indirect benefits, then it might make



sense for a CEO or CFO to take a look at the concept.

Most of the "For Profit" hospitals have been consolidating their business office functions to a CBO (Central Business Office) for some time. This model allows each individual hospital access to the benefits of production and costs through the economies of scale, thereby increasing time to focus on other priorities.

Outsourcing a business office provides smaller hospitals with the same advantages that the larger hospitals gain from the concept of a Centralized Business Office. Outsourcing affords the smaller rural hospital access to a large pool of skilled staff, technology tools, management skills, and expertise to monitor and develop more efficient processes. In addition it is generally a budget neutral-proposition. Most importantly, outsourcing provides you with an opportunity to significantly improve your hospital's financial good health.

Outsourcing? Is it the right fit for your hospital? ▲

Filling ^{the} Gaps in Healthcare:

What is the District's Role?

By Laura P. Jacobs, MPH
Senior Vice President, The Camden Group

The challenges to the healthcare industry have never been greater; is your Health Care District up to it? Consider these issues facing us:

- Continuing rise in healthcare costs
- Ongoing concerns about patient safety; inconsistent quality
- Exploding capital costs, building an IT infrastructure, new biotechnologies
- Government reimbursement (Medicare/Medi-Cal) rates below costs, and getting worse
- Physician shortages emerging, particularly in primary care

While these challenges face all healthcare providers, the role of Health Care Districts places them in a unique position to rethink their role. Historically, many Districts were formed to assure that hospital services were available in the community. Given the complexities of hospital management, many Districts have partnered or transferred ownership of the hospitals to private entities. But regardless of whether or not the District is directly responsible for operating a hospital, the challenge to District leaders is, "What is our role in filling the healthcare gaps in our community?" Consider the following questions:

- Are we prepared to demonstrate leadership to facilitate improvements in care?
- How can we foster innovation through our grants program?
- How can we partner with other public/private entities to bridge the gaps in access to needed services?
- Should we continue to operate the services we do in the way that we do, or is there another vehicle to meet the community's needs?

These are just some of the questions that should be asked as part of a strategic planning process. Role definition or

clarifying the District's vision of the future is particularly important now with the mounting changes and challenges. The planning cycle that should be at least a biennial, if not annual process includes the following steps:

Plan: Review the local environment and the healthcare needs that are or are not being met. Determine the role the District will play in meeting those needs and its long-term vision for the future.

Prepare: Based on this vision, do we have the necessary resources, or will we work with others to directly provide the services or capabilities to fill the gaps? Do we need to reallocate our own resources to align with the priorities we have defined?

Act: Follow-through on the priorities established; if it's a collaborative effort, be

sure that your partners are fulfilling the objectives you have set.

Inform: Keep District residents informed of your activities. Monitor the results of your actions—are they accomplishing what you anticipated? Listen for feedback from your constituents—were your priorities correctly established?

Plan: Start over again and reconsider your priorities based on the results of your actions...

Planning for the future healthcare needs of the district has never been easy, but given today's challenges, the need is ever greater for leadership and astute planning to optimize all resources devoted to improving health and healthcare delivery. ▲

The Camden Group can be reached at 310.320.3990.

ideas. answers. action.

The Camden Group has been providing management and advisory services to the healthcare industry for nearly 40 years.

Our extensive California client base includes many healthcare districts and other public entities.

Expect positive, timely results with The Camden Group.

- | | |
|---------------------------------|-----------------------|
| » Strategic & Business Planning | » Feasibility Studies |
| » Facility Planning | » Interim Management |
| » Hospital Turnarounds | » HUD Approved |

For additional information, please visit our website or contact Steve Valentine at (310) 320-3900.

www.thecamdengroup.com

**THE
CAMDEN
GROUP**



RisingSTARS
YOU'LL SHINE AT THE
ACHD 57TH ANNUAL MEETING
OCTOBER 1-3, 2008
U.S. GRANT HOTEL, SAN DIEGO, CA

REGISTER NOW!


ACHD
ASSOCIATION OF CALIFORNIA
HEALTHCARE DISTRICTS

FOR MORE
INFORMATION,
PLEASE CALL
CHRISTINE
CHAPMAN
AT 916.266.5200
OR VISIT
WWW.ACHD.ORG



A · C · H · D
ASSOCIATION OF CALIFORNIA
HEALTHCARE DISTRICTS
2969 PROSPECT PARK DRIVE
SUITE 260
RANCHO CORDOVA, CA 95670

PRESORTED STD
U.S. POSTAGE
PAID
SUNDANCE PRESS
85719