

**Measure A Oversight Committee Meeting Minutes – May 26, 2006**  
(Minutes approved by Committee on June 23, 2006.)

**Attendance:**

Appointed members present:

1. Ken Ballard
2. Louis Chicoine
3. Brad Cleveland
4. Kay Eisenhower
5. Jay Garfinkle, M.D.
6. Arthur Geen
7. Larry Platt, M.D.
8. Beth Pollard
9. Charlie Ridgell
10. Don Sheppard
11. Ronald Tauber
12. Sal Tedesco

Appointed members absent:

1. Rich Ambrose
2. Rachael Kagan
3. Neil Marks
4. Ron Silva

Other attendees:

1. Suzanne Barba, League of Women Voters Eden Area
2. Jennifer Chan, Alameda County Health Care Services Agency
3. Mary Dean, Children's Hospital Oakland
4. Mariellen Faria, St. Rose Hospital
5. Charles Feldstein, M.D., St. Rose Hospital
6. Brian Frost, St. Rose Hospital
7. Dave Kears, Alameda County Health Care Services Agency
8. Steve Manning, Alameda County Auditor Controllers' Office
9. Mike Mahoney, St. Rose Hospital
10. Debbie Nielsen, Children Hospital Oakland
11. Pamela Russo, St. Rose Hospital
12. Ralph Silber, Alameda Health Consortium
13. Lara Sim, Supervisor Keith Carson's Officer
14. Mike Taylor, St. Rose Hospital
15. Nicholas Tejedo, St. Rose Hospital
16. Patricia Van Hook, Alameda County Medical Center
17. Don Waters, Alameda Contra Costa Medical Association
18. Guest, St. Rose Hospital
19. Guest, St. Rose Hospital

**II. Review of Minutes (March 24, 2006 Minutes)**

- Art Geen motioned to adopt the minutes, motion seconded by Kay Eisenhower, motion passed

- Section V, *Other Discussion*, first bullet changed to read: “Ralph Silber explained that he submitted his letter of resignation from the Committee to Supervisor Keith Carson due to the potential conflict of interest he may have or appear to have with his association with the Alameda Health Consortium.”

### III. Announcements

- Jennifer Chan announced that Emmett Jones resigned from the Oversight Committee and that the City of Berkeley Mayor Tom Bates is looking for a replacement
- The Committee asked Jennifer Chan to follow up with Rachael Kagan to see if she is planning to continue her membership on the Committee

### IV. New Materials

Jennifer Chan presented new binder materials including:

1. Measure A Revenues Received to Date – Section 11
2. Board Letters (including Minute Orders)
3. Public Health Department – Physician Uncompensated Emergency Services – Section 5
4. Power Point Presentation – Measure A Fund Support for Emergency Medical Care – Section 5

### V. Presentation: Physician Accounts, Don Waters, Alameda Contra Costa Medical Association *(Notes submitted by Alameda Contra Costa Medical Association)*

Mr. Donald Waters, Assistant Executive Director of the Alameda-Contra Costa Medical Association (ACCMA), presented the distribution of \$1.5 million in Measure A Funds for uncompensated emergency medical care during FY 04/05. ACCMA is a professional association of approximately 3100 physicians in the East Bay, established in 1860.

One of Measure A’s purposes is to promote the provision of emergency care to uninsured patients throughout Alameda County, which is rendered in 12 hospital emergency departments by emergency physicians and on-call physician specialists. Funding for the provision of emergency care has substantially diminished, beginning in 1983 when the State stopped reimbursing physicians for emergency care provided to medically indigent patients. This represents up to 25% of emergency department patients in some facilities. Medi-Cal reimbursement has increased only once in the last 20 years, representing an average of 25% of emergency department patients in some cases up to 40%. Managed care plans have reduced reimbursement, some cases significantly below Medicare rates, and made collecting payment for emergency care difficult. With the reduction in funding there has been a contraction of emergency departments in Alameda County, from 18 to 12, and the number of physician-specialists has remained stagnant. Measure A funds help stabilize the availability of these services by paying for the care of uninsured patients.

The county-administered SB 12 fund was identified as an effective mechanism to distribute Measure A funds to support the provision of emergency care to uninsured patients because

it has the same purpose. Additionally, no determination of how to allocate funds for this purpose because it simply reimburses physicians for care wherever it is rendered in the County, based on the amount of services rendered. The Alameda County Health Care Services Agency worked with the ACCMA to make billing the fund as administratively simple as possible, and physicians are familiar with how to bill it.

Measure A funds enhance the availability of emergency care for uninsured patients in three critical ways. First, it stabilizes the revenue source for the SB 12 Fund, which currently relies on two funding sources. One source is a portion of motor vehicle fines, and it has remained stagnant. The other source is roughly \$1 million allocated from Proposition 99 funds by the Legislature, and subject to its approval annually. Second, the additional Measure A funds ensure that payment levels are preserved at no less than the SB 12 fund maximum fee schedule, which is 50% of the Medicare fee schedule. While this low fee schedule is inadequate, the predictability of that rate is essential to emergency physician groups who staff accordingly and to on-call physicians who must balance the cost of being available against the obligations they have to their established patients. Third, the Measure A funds enable the County to supplement SB 12 payments with an additional 8% of Medicare fees, which brings the rates closer to Medi-Cal rates.

During FY 04-05 \$1.35 million in Measure A funds reimbursed hundreds of emergency physicians and physician-specialists (Trauma Surgeons, General Surgeons, Anesthesiologists, Pediatric Specialists, Radiologists, Cardiologists, Gastroenterologists, and others) for care rendered to uninsured patients. This supplemented payments from the SB 12 fund to a total of \$3,939,288. Mr. Waters noted that as SB 12 funding levels remain stagnant, the higher payment rate made possible by Measure A will diminish over time at current funding levels.

Committee meeting notes...

- The Committee requested more information on the services provided (i.e. # of low-income, uninsured and/or indigent patients served with geographic breakdown of information for Alameda County and general breakdown of providers by reimbursement and volume)

**VI. Presentation: Non-County Hospital – Children’s Hospital Oakland, Mary Dean and Debbie Nielsen** (*Notes submitted by Children’s Hospital Oakland*)

- Children’s Hospital provides inpatient and outpatient pediatric services for children of Alameda County and beyond. With the exception of most transplant services, virtually every pediatric subspecialty is available through the services offered by Children’s Hospital and its physicians.
- Measure A Funds allowed Children’s Hospital to maintain vital services for the children of our communities. Without these additional funds, continuation of some services were in jeopardy. Services supported by Measure A included:
  - Center for Child Protection
  - Behavioral & Developmental Pediatrics

- Psychiatry
  - Audiology
  - Craniofacial
  - Medical Genetics
  - Nephrology
  - Speech/Language
  - Emergency Department
- Measure A Funds account for 1.5% of the overall operating revenues of the hospital. While this may seem to be a small percentage, these dollars were essential to keeping these programs open.
  - Because the hospital provides a disproportionate share of its services to Medi-Cal beneficiaries; it was eligible to submit the funds to the State for federal match thereby increasing the impact of the Measure A funding. The match obtained for FY04/05 was 80% of the \$2.25 million received.
  - The fiscal challenge faced by the hospital continues to be the biggest factor in providing mission critical services. Providing adequate funding to cover program expenses is becoming more challenging. The Hospital is continually faced with legislation at both the State and Federal levels that potentially threatens the availability of critical on-going support that Children's receives through supplemental funding.
  - We appreciate the support of the Alameda County Board of Supervisors and Health Care Services Agency leadership that has been made available to us through Measure A funds.

Committee meeting notes...

- The Committee requested more information on the services provided (i.e. # of low-income, uninsured and/or indigent patients served with geographic breakdown of information)
- Kay Eisenhower requested information on the specific targets set forth in Measure A contracts and the extent to which these targets were met

**VII. Presentation: Non-County Hospital – St. Rose Hospital, Mike Mahoney** (*Notes submitted by St. Rose Hospital*)

St. Rose Hospital would like to acknowledge the generous support of Alameda County Health Services for Measure A Funding. We appreciated the opportunity to present to the Measure A Oversight Committee of our efforts in fulfilling the role of the safety net provider for Central and Southern Alameda County. The following facts and figures highlight some of the hospital's work in 2005:

- Over 97,000 Alameda County residents living below the poverty level reside in St. Rose Hospital's service area.
- St. Rose Hospital provided over 35,000 acute inpatient days, including nursery days. Over 16,000 of these days (46%) were provided to low-income patients (patients in state sponsored programs and the uninsured are collectively referred to as "low-income").
- St. Rose served over 34,380 patients in the Emergency Room. Over 65% (22,360) of these patients were low-income patients.
- St. Rose Hospital served 15,760 children (measured by clinic visits) at The Silva Pediatric Clinic, Mobile Clinic and Dental Clinic, combined. The number of children St. Rose serves from Alameda County and surrounding communities grew an additional 13% during 2005. Over 99% of these services (15,700) were provided to children from low-income families.
- Annual uncompensated cost for low-income services exceeds 10% of the hospital's operating budget.
- Measure A represents 2.5% of the hospital's \$94 million operating budget (2006) and funds have been primarily used to maintain the hospital's role as the safety net provider for Central & Southern Alameda County and expanding pediatric services.
- St. Rose has recently been designated a cardiac receiving center, is fully accredited by JCAHO, and has the lowest cost per day of 10 East Bay Hospitals.

Committee meeting notes...

- The Committee requested more information on the services provided (i.e. # of low-income, uninsured and/or indigent patients served with geographic breakdown of information)
- Kay Eisenhower requested information on the specific targets set forth in Measure A contracts and the extent to which these targets were met

**VIII. Group discussion on presentations**

- Committee members discussed concerns over the Bay Area Consortium for Quality Health Care presentation at the April 28<sup>th</sup> meeting; some members do not feel that FY 04/05 expenditures were spent according to the provisions of Measure A
- Committee members requested that specific questions be addressed in the Alameda County Medical Center (ACMC) presentation in July; the Committee approved the following questions / requests for information:
  1. How much funding went towards care for the mentally ill?
  2. A 5-year review of CMSP funding and costs.

3. A 5-year review of rents charged by the County for all facilities used by ACMC.
  4. Information on the loan agreement between Alameda County and ACMC for ACMC's debt incurred over the past 5 years or so.
- Kay Eisenhower raised a question about the percentage allocation of Measure A funding for FY 05/06 and 06/07 and requested documentation demonstrating the Board of Supervisors' decision to move away from this mechanism and staying with flat dollar amounts instead; Lara Sim explained that she did not recall such a specific action taking place but that the allocation of flat dollar amounts was assumed when the Board adopted the FY 05/06 budget last June; Jennifer Chan explained she would try to obtain documentation supporting Lara's explanation
  - The Committee requested an estimate of how much money Measure A was able to leverage in aggregate for FY 04/05
  - Committee members requested more time on the agenda to discuss all presentations (past and present)
  - Members expressed concern over the length of presentations and want to limit presentations to 20 minutes with a strict cut-off; a question and answer period will follow presentations and members are encouraged to hold their questions until the end

**IX. Future Presentations**

- Behavioral Health Care and the Public Health Department will be presenting in June

**X. Next Meeting**

- June 23, 2006, 9-11:30am