



**WEST CONTRA COSTA HEALTHCARE DISTRICT
DOCTORS MEDICAL CENTER**

**GOVERNING BODY
BOARD OF DIRECTORS**

**WCCHD DOCTORS MEDICAL CENTER
GOVERNING BODY BOARD OF DIRECTORS
DECEMBER 1, 2014 – 4:45 P.M.
Doctors Medical Center - Auditorium
2000 Vale Road
San Pablo, CA 94806**

Governing Body Members

*Eric Zell, Chair
Supervisor John Gioia, Vice Chair
Irma Anderson
Wendel Brunner, M.D.
Deborah Campbell
Nancy Casazza
Sharon Drager, M.D.
Pat Godley
Richard Stern, M.D.
William Walker, M.D.
Beverly Wallace*

AGENDA

1. **CALL TO ORDER** E. Zell
2. **ROLL CALL**
3. **APPROVAL OF MINUTES OF NOVEMBER 4, 2014** E. Zell
4. **PUBLIC COMMENTS** E. Zell
[At this time persons in the audience may speak on any items not on the agenda and any other matter within the jurisdiction of the of the Governing Body]
5. **MEDICAL EXECUTIVE COMMITTEE REPORT** R. Stern, M.D.
 - a. Presentation
 - b. Discussion
 - c. Public Comment
 - d. *ACTION: Approval of the MEC report, the Credentials Committee Report and Policies as Presented*
6. **UPDATE ON 5X8 PLAN** E. Zell
 - a. Discussion
 - b. Presentation
 - c. Public Comment

d. *ACTION: For Information Only*

7. **CEO REPORT**

D. Gideon

- a. Discussion
- b. Presentation
- c. Public Comment
- d. *ACTION: For Information Only*

8. **IMPLEMENTATION OF LAST, BEST, FINAL OFFER TO NUHW** B. Redlo

- a. Presentation
- b. Discussion
- c. Public Comment
- d. *ACTION: Approval of Implementation of Last, Best and Final Offer to NUHW*

ADJOURN TO CLOSED SESSION

- A. Reports of Medical Staff Audit and Quality Assurance Matters Pursuant to Health and Safety Code Section 32155.
- B. Conference with Labor Negotiators (pursuant to Government Code Section 554957.6) Agency negotiators: Bob Redlo, VP of Patient Relations, Labor Relations & Workforce Development, John Hardy, Vice President of Human Resources: California Nurses Association, NUHW, PEU Local One and Local 39.
- C. Discussion involving Trade Secrets Pursuant to Health and Safety Code Section 32106. Discussion will concern new programs, services, facilities.

ANNOUNCEMENT OF REPORTABLE ACTION(S) TAKEN IN CLOSED SESSION, IF ANY.



**WCCHD DOCTORS MEDICAL CENTER
GOVERNING BODY BOARD OF DIRECTORS**

**November 4, 2014
Doctors Medical Center - Auditorium
2000 Vale Road
San Pablo, CA 94806**

MINUTES

1. CALL TO ORDER

The meeting was called to order at 4:45 P.M. Director Zell reported on the recent passing of a Mrs. Nell Trundle, a long-term volunteer with more than 27,000 hours of community service to DMC and its patients. Tonight we honor her memory and dedicate our efforts to save DMC to her and others that have worked tirelessly for this hospital.

2. ROLL CALL

Quorum was established and roll was called:

Present: Eric Zell, Chair
Supervisor John Gioia, Vice Chair
Deborah Campbell
Irma Anderson
Sharon Drager, M.D.
Nancy Casazza
Richard Stern, M.D.
Beverly Wallace
William Walker, M.D.
Pat Godley

Excused:
Wendell Brunner, M.D.

3. APPROVAL OF MAY 7, 2014 MINUTES

The motion made by Director Beverly Wallace and seconded by Supervisor John Gioia to approve the May 7, 2014 minutes passed unanimously.

4. PUBLIC COMMENTS

Eleanor Mahood – RN, expressed her concerns regarding the inadequacy of a freestanding emergency department, and the inability of such a service to meet the needs of the community.

Susan Harmon – Retired, suggested that DMC consider becoming a worker-patient co-operative facility, such as REI. Although it is unusual it is an option to explore, and she offered her assistance in doing so.

Marilynne Mellander – Retired, highlighted the statement of the September 24, 2014 Interim Report of the Regional Planning Initiative which stated that the economic realities’ for Doctors Medical Center do not allow for it to operate under its current full service model. She also referenced that a broker is marketing the hospital property for sale, and that Gemino, the hospital’s line-of-credit lender, holds a Deed of Trust for DMC.

5. CEO REPORT

Dawn, Interim CEO, provided an update on the current operating and financial status of the hospital. At the beginning of 2014 and again in May following failure of the parcel tax measure, we reported that we would run out of money by July. In June, an additional \$6 million in funding came from the County through a tax advance. At the time, we projected that this amount would provide the necessary liquidity to fund us to early October 2014. Subsequently, we were able to secure a \$3 million state appropriation with the assistance of Assembly Member Nancy Skinner, and have significantly reduced hospital operating expenses by reducing and/or closing services. These more recent efforts will provide the funding necessary to continue until March 2015. In that month, however, we run out of the money necessary to support payroll and other essential expenses

Cash Flow Projections (amount in thousands):

	Nov-14	Dec-14	Jan -15	Feb-15	Mar-15	Apr-15
Beginning Balance	1,073	1,977	7,694	1,889	16	(2,037)
Cash Receipts	8,271	12,529	4,778	4,223	3,656	7,219
Cash Payments	(7,367)	(6,813)	(10,583)	(6,096)	(5,709)	(8,500)
Change In Cash	904	5,716	(5,805)	(1,873)	(2,053)	(1,281)
Ending Balance	1,977	7,693	1,889	16	(2,037)	(3,318)

- Cash receipts in December include the excess tax payments
- Patient services cash receipts in Nov and Dec still relatively high as we collect for patient from June and July; drops significantly in Jan through April reflecting lower volumes in Aug – Dec.
- Although we end the year in a positive cash position, we do have a cash deficit in early December prior to the collection of the parcel tax. We will need to secure a short term \$2.5 million advance to bridge this deficit for 3 weeks.

Ms. Gideon reported that, although the hospital has significantly reduced expenses and services, we remain a full-service facility, providing inpatient, outpatient and emergency care. While the Plan to be presented by Director Zell this evening is very exciting, we still need to secure the \$2.5 million bridge until the collection of the parcel tax in late December, and \$11 million by the end of January for 2015 funding.

Supervisor Gioia reported that the County has agreed to allow the District to keep the \$1.6 million ad valorem tax collection in December, rather than reimbursing to the County under the terms of the tax advance agreement. He asked Ms. Gideon to explain how this waiver of the repayment would play into the needed gap funding to bridge the medical center from now into the New Year. Ms. Gideon reported that the \$1.6 million waiver was already included in her cash flow projected, and the timing of the collection of this amount was too late in the month to provide the bridge needed.

PUBLIC COMMENT

Marilynne Mellander – Retired, stated that she was concerned that the cost of administration would keep the hospital from meeting its financial goals. She specifically discussed the cost of travel related to out-of-area interim management.

6. REPORT OF THE REGIONAL PLANNING INITIATIVE:

HFS Consultants and Hooper Lundy & Bookman were engaged by the Hospital Council of Northern and Central California to develop a legal framework and financial models for proposed changes in operations at Doctors Medical Center. Seven scenarios were presented on ways to provide continuing services at the current Doctors Medical Center site, and their impact could improve Doctors Medical Center's financial state. Mr. John Pfeiffer from HFS Consultants presented the financial projections for operating several different models:

- A smaller hospital (15 beds, basic E.D. or standby E.D, either on the DMC license or on the County Regional Medical Center license);
- A satellite E.D. under the County Regional Medical Center license (no inpatient beds);
- Basic urgent care center – 12 hour operation with basic diagnostic ancillary services;

- Basic urgent care center with 24/7 operation with basic diagnostic ancillary services;
- Expanded urgent care with holding beds, expanded diagnostic ancillary (e.g. CT services).

Mr. Pfeiffer reviewed the financial projections for each of these scenarios, demonstrating that the 15 bed hospital resulted in the most significant loss with a \$20.485 million cash flow shortfall. The basic urgent care model with 12 hour operations resulted in the lowest cash loss of \$1.71 million.

Projected Typical Year (in \$000s)	Scenario 1a - Streamlined Hospital			Scen. 1b - Satellite ED under CCRMC's license	Scen. 2 - Basic Urgent Care	Scen. 3 - 24-Hour Urgent Care	Scen. 4 - Expanded Urgent Care
	Basic Model	Standby ED	Standby ED & CCRMC license				
Operating revenue	\$ 39,715	\$ 37,348	\$ 36,148	\$ 14,791	\$ 2,941	\$ 3,804	\$ 6,897
Operating expenses:							
Wages & benefits	44,296	38,554	38,554	16,425	2,074	2,527	3,669
Pro fees and purch. services	9,975	9,392	9,392	4,601	1,373	2,328	4,591
Supplies, utilities, ins. & other	9,109	8,674	8,674	4,184	1,055	1,350	2,099
Total operating expenses	63,380	56,620	56,620	25,210	4,502	6,205	10,360
Operating Income/(Loss)	(23,665)	(19,271)	(20,471)	(10,419)	(1,561)	(2,401)	(3,463)
Non-operating revenue/expense:							
Interest	(5,085)	(5,085)	(5,085)	(5,085)	(5,085)	(5,085)	(5,085)
Depreciation	(5,471)	(5,471)	(5,471)	(5,471)	(5,471)	(5,471)	(5,471)
Leases	(2,125)	(1,990)	(1,990)	(1,739)	(1,739)	(1,739)	(1,739)
District tax revenue	13,717	13,717	13,717	13,717	8,617	8,617	8,617
Maintenance of unused space	(500)	(500)	(500)	(500)	(500)	(500)	(500)
Other non-operating income	230	230	230	230	230	230	230
Net income/(Loss)	\$ (22,899)	\$ (18,370)	\$ (19,570)	\$ (9,267)	\$ (5,509)	\$ (6,350)	\$ (7,412)
Adjustments for cash flow:							
Depreciation expense	5,471	5,471	5,471	5,471	5,471	5,471	5,471
Principal payments	(1,227)	(1,227)	(1,227)	(1,227)	(1,227)	(1,227)	(1,227)
Amort. of parking lot income	(230)	(230)	(230)	(230)	(230)	(230)	(230)
Capital expenditures	(1,600)	(1,600)	(1,600)	(1,600)	(215)	(215)	(332)
Net cash generated/(used)	\$ (20,485)	\$ (15,956)	\$ (17,156)	\$ (6,853)	\$ (1,710)	\$ (2,551)	\$ (3,730)

Dr. Stern commented that none of the presented models will meet the needs of the community, which is a full service hospital. Director Zell pointed out that the HFS analysis was done under the assumption that we would not be able to operate as a full service hospital.

PUBLIC COMMENT

Marilynne Mellander – Retired, stated that unless the District sell the hospital and settle our debts we will not be successful financially.

Susan Rugby – Attorney for CNA, Concerned about losing full service hospital, and stated that the terminology used by Dr. Walker was confusing.

7. DCAC PRESENTATION:

Dr. Rounds presented on behalf of the Doctors Closure Aversion Committee (DCAVC). He would like to see a “Consortium Partnership” that would work to

achieve Doctors Medical Center fiscal solvency. He proposes that a representative from each municipality in West County come together to form a partnership to explore ways to save DMC and make it financially viable. Together they would promote their message among the various constituencies, enlist participation of all neighborhood councils, engage assistance from all area corporate industries and encourage support and aid from local civic organizations.

Director Deborah Campbell thanked Dr. Rounds for his vision to engage the entire community to save Doctors Medical Center and she would like to fully support his ideals. She also thanked the Board of supervisors for their support.

Dr. Rounds questioned the ability to pursue a sales tax. Supervisor Gioia explained the logistics of how sales taxes work and getting them on the ballot. The District is unable to place a sales tax on the ballot.

PUBLIC COMMENT

Marilynne Mellander, Retired – likes that there is no parcel tax in Dr. Round's proposal.

8. THE WAY FORWARD PRESENTATION

Mr. Sammuel Washington and Mr. John Templeton presented a proposal on behalf of The Way Forward, a team of consultants commissioned by the Doctors Medical Center Closure Aversion Committee. They discussed the benefits of replacing the 60 year old seismically unfit facility with the U.S.A's first carbon-neutral zero waste public hospital as a model for keeping the promise of the Affordable Care Act alive.

Director Campbell stated that we need to broaden our resources for money and be able to explain what we will do with the money we ask for. Supervisor John Gioia expressed his opinion that there is little realistic ability to get renewable energy credit to meet our short term goals.

PUBLIC COMMENT:

San Pablo City Council Member Rich Kinney – Feels that the sales tax should be separated to stand on its own. He also supports Doctors Medical Center returning to a full service hospital.

9. REPORT OF THE CHAIR

Director Zell presented a plan of the Board of Directors to save DMC. Many creative financial solutions have kept Doctors Medical Center open - County tax advances, parcel taxes, bridge funding from the state, Kaiser and John Muir, reducing operating expenses, improved cash collection procedures, renegotiated

payer contracts, the leasing of a portion of the parking lot to the Lytton Band of Pomo Indians, working with Touro University and various other potential partners. Director Zell introduced what he called the 5 x 8 plan to save the medical center. This plan would take place over 5 years and includes 8 initiatives, all of which are necessary for success. These initiatives, and the anticipated potential financial impact, include the following. He emphasized that these financial ranges were approximate and subject to change as we began implementation:

- ▶ New parcel tax (\$5.0-\$8.0 million)
- ▶ County repayment forgiveness (\$3 million)
- ▶ Debt support by other health care systems (\$3.0 - \$4.3 million)
- ▶ Reinvigorated DMC Foundation (\$0.5-\$1.5 million)
- ▶ Continuing operating efficiencies (\$3.0 - \$5.0 million)
- ▶ Employee Savings (\$4.5-\$7.0 million)
- ▶ Richmond Community Benefit reallocation (\$15 million)
- ▶ Training program/residency partnership (up to \$0.5 million)

He presented and discussed the impact of these initiatives on projected cash flow demonstrating the ability to achieve positive cash flow beginning in 2016, repeating again that these numbers are approximate and subject to change:

DMC Projected Cash Flow (amounts in thousands)

	2015 Annual	2016 Annual	2017 Annual	2018 Annual	2019 Annual
Cash Received:					
Patient and Related Cash	93,688	111,190	113,602.33	115,531	117,451
Parcel Tax Funds	10,900	10,900	10,900	10,900	10,900
Ad Valorum Tax Funds	2,900	2,900	2,900	2,900	2,900
Baseline Cash Received	107,488	124,990	127,402	129,331	131,251
Cash Spent:					
Total Operating Expenses and Capital	137,514	139,445	139,032	140,697	142,951
COP Payments	4,370	4,370	4,370	4,370	4,370
County Debt Payments	2,900	2,900	2,900	2,900	2,900
Baseline Cash Spent before Initiatives	144,784	149,465	148,752	150,217	152,471
Cash Flow - Baseline before Initiatives	(37,297)	(24,475)	(21,350)	(20,885)	(21,219)
County Debt Forgiveness	3,000	3,000	3,000	3,000	3,000
Forgiveness of Long Term Debt	4,370	4,370	4,370	4,370	4,370
New Parcel Tax	3,100	5,800	5,800	5,800	5,800
Foundation Fund raising	1,500	500	500	500	500
Residency Program	-	-	500	500	500
Employee Savings	6,600	5,800	5,200	5,200	5,200
Continued Operating Efficiencies	1,800	4,900	3,300	3,400	3,500
Richmond Community Benefit	-	5,000	5,000	5,000	-
Net Impact of Initiatives	20,370	29,370	27,670	27,770	22,870
Cash Flow After Initiatives	(16,927)	4,895	6,320	6,885	1,651

Director Zell reported that he next steps for implementation of this plan include:

- ▶ Immediately conduct a Public Opinion Survey to assess the amount voters will support. Place on ballot in May or June 2015.
- ▶ Work with County Board of Supervisors to secure forgiveness of County advance in December.
- ▶ Set up working group with Health Systems to pursue debt reduction.
- ▶ Immediately conduct a Public Opinion Survey to assess the amount voters will support. Place on ballot in May or June 2015.
- ▶ Work with County Board of Supervisors to secure forgiveness of County advance in December.
- ▶ Set up working group with Health Systems to pursue debt reduction.
- ▶ Establish medical staff led workgroup to work with Touro University, UCSF, Stanford and others for research and teaching opportunities.
- ▶ Pursue strategies to fund 2015 deficit, including sale of assets.
- ▶ Establish “new hospital” work group to develop plans to achieve seismic compliance.

He emphasized that in order for this plan to work, all elements must work.

Supervisor Gioia thanked the City of San Pablo for the support that they have provided. He also addressed the rumors that the neighboring casino hopes to purchase the DMC property to expand the casino. He reminded the Governing Body and attendees that the casino cannot legally expand their gaming space and there have no discussions with the casino about doing so.

Dr. Drager stated that, on behalf of the medical staff, she believes hospital cannot exist as an urgent care facility. The Doctors Medical Center Medical Staff have done everything in their power to help find solutions to the hospital’s financial situation including taking reductions in pay, and the entire staff continues to work toward a future that includes a full service hospital. She strongly supports the 5/8 Plan and committed the support of the Medical Staff in its implementation.

Director Irma Anderson shared her belief that this community needs to have a full service hospital. The key for her is that there is teamwork as a community and she thanked everyone for their support and commitment to save this hospital.

Director Deborah Campbell requested that the Board and the community work together as a team to save DMC.

PUBLIC COMMENTS

Dr. Mark Kogan, on behalf of the Alameda Contra Costa Medical Association, stated that the Association would like to acknowledge the importance of Doctors Medical Center and the importance of its preservation as a full service hospital. They support all actions toward finding resolutions to its financial future.

Jan Gilbrecht – NUHW, thanked everyone who has worked so hard the last few months. She suggested that in striving to achieve the labor related savings we might approach this from a different standpoint than the traditional way of negotiations so that there is actual buy-in from the employees from the beginning. She asked for a show of hands of laid off employees in the audience and stated that many of them had decades of commitment to Doctors Medical Center and had been through layoffs before and still remain dedicated to the Medical center, because for them, this hospital is more than a just a job.

Five minute intermission

10. MEDICAL EXECUTIVE COMMITTEE REPORT

Dr. Stern presented the report of the Medical Executive Committee and the Credentials Committee.

A motion made by Sharon Drager, M.D. and seconded by Irma Anderson to approve the November 2014 Medical Executive Committee Report and Credentials Committee report passed unanimously.

11. CEP CONTRACT AMENDMENT

A motion made by William Walker, M.D. and second by Irma Anderson to approve the November 2014 CEP contract amendment passed unanimously.

12. CHANGE IN THE NUMBER OF LICENSED BEDS

A motion made by William Walker, M.D. and seconded by Sharon Drager, M.D. to approve the change in the number of licensed beds passed unanimously.

13. REVISIONS TO THE PENSION PLAN

A motion made by William Walker, M.D. and second by Beverly Wallace to approve revisions to pension plan passed unanimously.

14. REVISIONS TO THE NUHW COLLECTIVE BARGAINING AGREEMENT RELATED TO EFFECTS BARGAINING

A motion made by Nancy Casazza and seconded by Irma Anderson to approve revisions to NUHW collective bargaining agreement in regards to effects bargaining passed unanimously.

THE MEETING ADJOURNED TO CLOSED SESSION AT 7:45 PM

MEDICAL EXECUTIVE COMMITTEE REPORT TO THE BOARD

MEC DATE:

November 10, 2014
 October 13, 2014
 September 8, 2014
 August 11, 2014
 July 14, 2014
 June 9, 2014

BOARD DATE:

December 1, 2014

TOPIC	Comment (S)
<p>Administrative Reports: Dawn, Kathy and Bobbie reported monthly updates on state of the hospital</p>	No Action Required
<p>Chief of Staff Reports: Dr. Stern discussed Medical Staff contribution to sustaining DMC as a full service hospital.</p>	No Action Required
<p>Policy, Procedures, Forms:</p> <ul style="list-style-type: none"> • See attached document with all polices, MEC approval dates and brief summary of changes. 	Approval
<p>Credentials Committee</p> <ul style="list-style-type: none"> • Credentials Report: No report this month. (All outstanding credentialing was presented at the November 10, 2014 meeting.) 	No Action Required

Policies and Procedures - Board of Directors - 12/1/2014

Date Approved by MEC	Committee / Policy	Proposed Changes
PHARMACY AND THERAPEUTICS		
	1. Tbo-Filgrastim (Granix) autosubstitution for filgrastim	Cost savings = Colony stimulating factor used to promote white blood cell growth
	2. Carfilzomib (KYPROLIS)	Addition to Formulary = CHEMOTHERAPY agent
	3. Hypothermia Protocol	Updated ER order set to reflect sedative orders used inhouse
	4. Change in Diet Manual Policy (Food & Nutrition)	Annual review - updated supplement ordering by dieticians to reflect Title 22 regs
	5. Dextabine Monograph	Addition to Formulary = CHEMOTHERAPY agent
04/14/14	6. Levemir Formulary Proposal autosubstitution Lantus	Cost Savings = insulin substitution
	7. Automated Dispensing Cabinet (ADC) Overrides	Updated policy to reflect practice with 24hr Pharmacy. Updated class of meds which can be overridden.
	8. Diabetic Ketoacidosis	Updated order set to reflect changes in IV therapy
	9. Ed diabetic Ketoacidosis (DKA) orders	Updated order set to reflect changes in IV therapy
	10. Therapeutic Substitution list	Annual review
	11. "Do not Use" Abbreviations Policy (HIM Department)	Annual review
INFECTION CONTROL		
	1. Infection Control Risk Assessment 2014	Annual Document for review
05/12/14	2. Evaluation of 2013 Infection Control Goals	Annual Document for review
	3. Infection Control Plan and Goals 2014	Annual document fro review - No changes. Plan still valid for 2014

Date Approved by MEC	Committee / Policy	Proposed Changes
PHARMACY AND THERAPEUTICS		
1.	Electrolyte Replacement Orders (Magnesium, Calcium and Phosphorus)	Addition of oral replacement therapy due to drug shortages.
2.	IV Admixture Services	Annual review to reflect current State Board of Pharmacy regulations regarding compounding.
a)	IV Admixture Services	
b)	IV Admixture Services Ordering	
c)	IV Admixture Services Reconciliation	
d)	IV Admixture Services Labeling	
e)	IV Admixture Services Laminar Flow Hood	
f)	IV Admixture Services Compounding	
g)	IV Admixture Services Admixture Services Quality Assurance Practices	
h)	IV Admixture Services EVS IV Cleaning	
i)	Formulary Substitutions Humalog (Insulin ASPART Sub Q) (Novolog FlexPen)	Cost Savings - insulin substitution
3.	Blood Thinner Pills Guide	Educational material for patients at discharge

06/09/14

Date Approved by MEC	Committee / Policy	Proposed Changes
	<p align="center">PERFORMANCE IMPROVEMENT</p> <p>1. Provision of Care</p>	<p>Annual Review - Changes in the format</p> <ul style="list-style-type: none"> • Updated Mission Statement and Goals to current versions. • Changed from Nursing-centric to Multidisciplinary focused. <ul style="list-style-type: none"> o e.g., added information on standards of practice for rehab, RT, etc., and info on OPPE. • Updated list of departments and services. • Referenced departmental plans for delivery of services • Changed wording to reflect eMR, o e.g., electronic medical records, electronic plan of care, etc. • Added phrases for compliance with regulations, o e.g., The Hospital is committed to providing the same standard of culturally competent care to patients with similar conditions regardless of the location in which the care is provided. • Added references to customer service, SBAR, • Performance improvement section reduced with reference to P Plan (to avoid inconsistencies between policies). • Added cross-reference to policies at end of plan.
07/14/14		
	<p align="center">INFECTION CONTROL</p> <p>1. Bloodborne Pathogens Exposure Control Plan</p>	
08/15/14	<p align="center">PHARMACY AND THERAPEUTICS</p> <p>1. Apixaban- Eliquis addition to formulary</p> <p>2. Personnel Authorized to Handle Medication</p> <p>3. Nursing Admission Screening Orders- Protocol for MRSA / Vaccinations</p> <p>4. Critical Values</p>	<p>Formulary addition</p> <p>Annual review</p> <p>Pneumonia vaccine changed to meet updated guidelines</p>

Date Approved by MEC	Committee / Policy	Proposed Changes
CME COMMITTEE		
1. RSS Policy		New Policy - Outlines procedure for approving and evaluating Regularly Scheduled Series (RSS)
SLEEP LAB		
1. All Night CPAP Titration PSG: Adult and Geriatric Groups		All clinical policies required revision to meet requirements for the American Academy of Sleep Medicine accreditation. Sleep Center Medical Director, Dr. Raees, has reviewed and approved all policies.
2. Application of Oxygen: Adults and Geriatrics		
3. Bi-Level Titration: Adult & Geriatric Groups		
4. Clinical Indicators		
5. Emergency Intervention: Adults and Geriatric		
6. Emergency Situation - Seizure Responses: Adults and Geriatrics		
7. Emergency Situation and Responses: Adults and Geriatrics		
8. Emergency Situation Stroke Response: Adults and Geriatrics		
9. Emergency Situation: Environmental and Psychiatric		
10. Ending Shift Documentation: All Age Groups		
11. Equipment Safety and Electrical Inspection		
12. General Pressure Titration Policy & Goals: Adult & Geriatric		
13. Hypoxemia and Oxygen Protocol: Adult & Geriatric		
14. Inter-Scorer Reliability		

09/15/14

Date Approved by MEC	Committee / Policy	Proposed Changes
	15. Maintenance of Wakefulness Test: Adult & Geriatric Groups	
	PHARMACY AND THERAPEUTICS	
10/13/14	1. Removal of Donnatal from Formulary	Cost savings and No therapeutic benefit proven from FDA
	2. Acute Ischemic Stroke Alteplase (Tpa) Administration / Admission Orders	Added "repeat CT 24 hours post TPA"
	3. Formulary addition request for: PROLIA (denosumab)	Addition to Formulary = Treatment or prevention of osteoporosis skeletal related events with bone metastases
	4. Medication and Dispensing Infection Control Policy Sentinel event #52	Updated policy to reflect TJC standards for multi dose vials
11/10/14	INFECTION CONTROL	
	<ol style="list-style-type: none"> 1. Ebola Preparedness Policy/Protocol – Lab 2. Ebola Preparedness Policy/Protocol – Hosp. 	Based on CDC, CDPH and Contra Costa County recommendations and guidance

1. Tbo-Filgrastim (Granix) autosubstitution for filgrastim
2. Carfilzomib (KYPROLIS)
3. Hypothermia Protocol
4. Change in Diet Manual Policy (Food & Nutrition)
5. Decitabine Monograph
6. Levemir Formulary Proposal autosubstitution Lantus
7. Automated Dispensing Cabinet (ADC) Overrides
8. Diabetic Ketoacidosis
9. Ed diabetic Ketoacidosis (DKA) orders
10. Therapeutic Substitution list
11. "Do not Use" Abbreviations Policy (HIM Department)
12. Infection Control Risk Assessment 2014
13. Evaluation of 2013 Infection Control Goals
14. Infection Control Plan and Goals 2014
15. Electrolyte Replacement Orders
16. IV Admixture Services
17. IV Admixture Services Ordering
18. IV Admixture Services Reconciliation
19. IV Admixture Services Labeling
20. IV Admixture Services Laminar Flow Hood
21. IV Admixture Services Compounding
22. IV Admixture Services Admixture Services Quality Assurance Practices
23. IV Admixture Services EVS IV Cleaning
24. Formulary Substitutions Humalog (Insulin ASPART Sub Q) (Novolog FlexPen)
25. Blood Thinner Pills Guide
26. Provision of Care
27. Bloodborne Pathogens Exposure Control Plan
28. Apixaban- Eliquis addition to formulary
29. Personnel Authorized to Handle Medication
30. Nursing Admission Screening Orders- Protocol for MRSA / Vaccinations
31. Critical Values
32. RSS Policy
33. All Night CPAP Titration PSG: Adult and Geriatric Groups
34. Application of Oxygen: Adults and Geriatrics
35. Bi-Level Titration: Adult & Geriatric Groups
36. Clinical Indicators
37. Emergency Intervention: Adults and Geriatric
38. Emergency Situation - Seizure Responses: Adults and Geriatrics
39. Emergency Situation and Responses: Adults and Geriatrics
40. Emergency Situation Stroke Response: Adults and Geriatrics
41. Emergency Situation: Environmental and Psychiatric
42. Ending Shift Documentation: All Age Groups
43. Equipment Safety and Electrical Inspection
44. General Pressure Titration Policy & Goals: Adult & Geriatric
45. Hypoxemia and Oxygen Protocol: Adult & Geriatric
46. Inter-Scorer Reliability
47. Maintenance of Wakefulness Test: Adult & Geriatric Groups

48. Removal of Donnatal from Formulary
49. Acute Ischemic Stroke Alteplase (Tpa) Administration / Admission Orders
50. Formulary addition request for: PROLIA (denosumab)
51. Medication and Dispensing Infection Control Policy Sentinel event #52

Annual Financial Impact of Proposals -NUHW

<i>Proposal</i>	<i>Annual Savings</i>	<i>Increases</i>	<i>Comments</i>
Changes in Wages		160,000	1% increase in wages
Increase in employee contribution	250,000		Move to 50/100/150 per month contribution.
Increase in employees not taking the health benefits	275,000		10% or 22 employees
Redefine benefit eligible as >30 hour	390,000		25 employees effected
Annual Savings	915,000		
Annual Expense		160,000	

Last Best & Final Offer by DMC, November 14, 2013

DOCTORS MEDICAL CENTER, SAN PABLO

AND

NATIONAL UNION OF HEALTHCARE WORKERS (NUHW)

West Contra Costa Healthcare District DBA/Doctors Medical Center, San Pablo ("the Medical Center"), and NATIONAL UNION OF HEALTHCARE WORKERS (NUHW) are parties to a Memorandum of Understanding commencing on July 20, 2011 and continuing until July 31, 2012. The Medical Center and the National Union of Healthcare Workers (NUHW) have met and resolved to extend the term of the MOU from August 1st 2012 through July 31, 2015. All other terms and conditions of the MOU shall remain in full force and effect except to the extent modified by this agreement.

AGREEMENT

The term of the Agreement will be from August 1st, 2012 through July 31, 2015.

WAGE INCREASE

(Effective the 1st payroll after the date of implementation)

Dates of Implementation

1% increase will take effect the 1st payroll after ratification by the parties.

MEDICAL HEALTH BENEFITS

Effective January 1, 2014, the medical health plan benefits will be amended as follows: (See attached schedule). The employer will also offer employees the option to have dental and vision benefits separately. (See attached)

HEALTH BENEFIT EMPLOYEE CONTRIBUTION

Effective January 1, 2014, the employee health benefits contribution will be amended as follows: (See attached schedule)

DMC INCENTIVE PLAN

The parties agree to work on goals as discussed during collective bargaining that may result in a 1% paid bonus each year beginning in January 2015. The details of the plan will be determined. (See attached)

WORKFORCE DEVELOPMENT FUND

DMC agrees to continue a \$50,000 Workforce Development Fund for the education and training of National Union of Healthcare Workers (NUHW).

Dependent Life Insurance: The employees will be offered dependent life insurance on a self-paid basis by the employee.

Retirement Medical Insurance: The employer will contribute 75.00 toward a Medicare Supplemental insurance. (See attached)

Section 9, C, Casual Employee: A casual employee is an employee who works on an intermittent basis or on a predetermined work schedule of less than thirty (30) hours a week. Benefits will only be paid for full-time or part-time employees who work thirty (30) hours or more.

All other TA's will be added to this agreement

The parties recognize that the above agreement is subject to ratification by the National Union of Healthcare Workers (NUHW) membership and subject to the approval of the Board of West Contra Costa Health Care District.

Dated: _____

For and on behalf National Union of Healthcare Workers (NUHW)

Dated: _____

For and on behalf of Doctors Medical Center, San Pablo

Purposed Benefit Changes for all Employees:

- DMC and John Muir will be the only facility in Tier 1, except for Peds and OB/GYN. Pediatrics and OB/GYN will be treated at Tier 1 levels for the following facilities: Alta Bates, Children's (Peds only), John Muir, NorthBay, VacaValley Hospital, UCSF, and Valley Care.
- DMC Physicians & Alliance Providers, Affiliates in Imaging, Quest Diagnostics and LabCorp will continue to be at the Tier 1 level.
- Employee contributions increase - See next page...
- Employees will receive \$300 waive credit if they waive all benefits (medical, dental and vision).
- Benefits only for employee's that are regular part time and full time working over 30 hours per week.

Medical Networks:

Tier 1 Provider:

Doctors Medical Center

John Muir Medical Center

Children's Hospital – Oakland
The following hospital facility for covered Pediatrics only.

Affiliates in Imaging
Alliance Imaging
Quest Diagnostics
LabCorp

Tier 2 Providers:

Anthem Blue Cross Network Providers

Alta Bates Campus/Oakland, Berkeley

NorthBay Medical center
UCSF Medical Center
VacaValley Hospital
ValleyCare Medical Center

Tier 3 (Out-of-Network) Providers:

Providers who are not in the Anthem Blue Cross network

Current Benefits

Emergency Room
\$35.00 All Tiers / No Deductable

Co-Pays

Office Visit \$10.00 T1 &T2 / T3 40%
Specialist \$10.00 T1 & T2 / T3 40%

Physical Therapy

No co-pay Unlimited Visits

Employee Contributions All Benefits

Employee Only \$10.00 per month
Employee + Child(ren) \$10.00 per month
Employee + Spouse or DP \$20.00 Per month

Prescriptions

Generic \$5.00 - Mail order \$10.00
Brand \$10.00 - Mail order \$20.00
Non-Brand \$35 - Mail Order \$70.00

Dental and Vision only

EE only = \$15.00
EE + 1 = \$20.00
EE + 2 or more \$25.00

Out of Network UCR 90%

Purposed Changes

Emergency Room
\$100.00 All Tiers / No Deductable
Waived if admitted

Co-Pays

Office Visit T1 \$15.00, T2 \$25.00 / T3 40%
Specialist T1 \$25.00, T2 \$35.00 / T3 40%

Physical Therapy

No co-pay - Limited to 40 visits per yr

Employee Contributions - All Benefits

Employee Only \$100.00 per month
Employee + 1 = \$200.00 per month
Employee + 2 or more \$300.00 per month

Prescriptions

Generic \$10.00 - Mail order \$20.00
Brand \$20.00 - Mail order \$40.00
Non-Brand \$40 - Mail Order \$80.00

80%

Additional Benefit Choices:

Kaiser Plan – (See attached Benefit Schedule)

Employee Contributions

Low – (Deductible Plan)

Employee Only \$25.00

Employee + 1 \$50.00

Employee + 2 \$100.00

Employee Contributions

High

Employee Only \$50.00

Employee + 1 \$100.00

Employee + 2 \$150.00

The employer retains the right to terminate the Doctors Medical Center self-insurance plan during the term of this agreement.

Executive Summary of Final Renewal Considerations

Plan	Benefit Attribute	Renewing Benefit	Alternate Benefit
Medical			
ACA Mandatory Changes	Essential Health Benefits	Annual and lifetime limitations such as organ transplants, dollar limitations on skilled nursing facility, etc.	Elimination of all annual and lifetime limitations
	Clinical Trials	No coverage for participants with life-threatening illness participating in clinical trials (Tier 2 & 3)	Tier 2 coverage: 20% Tier 3 coverage: 40% (Tier 1 treatment required first)
	Mammogram	1 visit/calendar year with no limitations	Follow WHCR guidelines: 1 baseline age 35-39 and 1 every 1-2 years thereafter
HDHP	Overall Plan Structure	Maintain current plan, contributions, and Health Savings Account funding	Eliminate of HDHP
PPO	Emergency Room	Tier 1, 2, and 3: \$35 copay; deductible does not apply	Tier 1: \$100 copay; Tier 2: \$100 copay; Tier 3: \$100 copay (copay waived if admitted) -> Note, per ACA In- and Out-of-Network ER services must be the same
	Office Visit	Tier 1: \$10 copay; Tier 2: \$10 copay; Tier 3: 40% after deductible	Tier 1: \$15 copay; Tier 2: \$25 copay; Tier 3: 40% after deductible
	Specialist Office Visit	Tier 1: \$10 copay; Tier 2: \$10 copay; Tier 3: 40% after deductible	Tier 1: \$25 copay; Tier 2: \$35 copay; Tier 3: 40% after deductible
	Internet Based Services	Not covered	Covered as any other office visit
	Calendar Year OOP Max	Per Person/Per Family (3+)	Out-of-Pocket Maximum to follow Deductible structure: Per Person/Per Family (2); Per Family (3+)
	Out-of-Network UCR	90th percentile	80th percentile
	Physical Therapy	No visit limitation	40 visit limitation (to match chiro/acupuncture)
	Autism	Speech therapy developmental delay not covered	Speech therapy developmental delay covered as any other office visit (up to 12 visits)
	ADD/ADHD	ABA (Applied Behavior Analysis) therapy not covered	ABA therapy covered as any other specialist visit (up to 12 visits)
Prescription Drug		Not covered	Testing covered as any other specialist visit (up to 1 visit)
ACA Mandatory Changes	Generic/Brand Copay	Cost sharing for the following drugs: Aspirin products, Iron supplements, and Folic Acid products, OTC contraception (women's only)	100% coverage with prescription (including OTC); Vitamin D, Immunizations/vaccines, Bowel preps, Fluoride, Folic Acid, Iron, Smoking Cessation, Aspirin, and OTC Contraceptives (all drugs to be covered at 100%, including OTC)
Alternate Benefits	Generic/Brand Copay	Generic: \$5 retail/\$10 mail; Brand: \$10 retail/\$20 mail; Non-Preferred Brand: \$35 retail/\$70 mail	Generic: \$10 retail/\$20 mail; Brand: \$20 retail/\$40 mail; Non-Preferred Brand: \$40 retail/\$80 mail
Dental	Drug Control	N/A	Step therapy - Advantage
	Cleanings	1 cleaning/6 months	1 extra cleaning for pregnant women per year (during and after pregnancy)
	Lifetime Deductible	\$50 individual/\$150 family	Maintain current plan
Alternate Benefits	Frame & Lens Coverage	Covered at 100%	Reimbursed up to \$300 (combined allowance for Frames & Lenses)
	Benefit Frequency	Examination every 12 months Lenses every 12 months Frames every 24 months	Examination every 12 months Lenses every 24 months Frames every 24 months

Proposed Benefit Summary



Customer Name: Doctors Medical Center San Pablo
Customer ID: Prospect

Benefit Plan 4432
HC2:TYPE HO8; \$1500 DED;\$20 O
P;20% IP;\$30/\$10RX

Principal Benefits for Kaiser Permanente Deductible HMO Plan (1/1/14—12/31/14)

The Services described below are covered only if all of the following conditions are satisfied:

- The Services are Medically Necessary
- The Services are provided, prescribed, authorized, or directed by a Plan Physician and you receive the Services from Plan Providers inside our Northern California Region Service Area (your Home Region), except where specifically noted to the contrary in the *Evidence of Coverage (EOC)* for authorized referrals, hospice care, Emergency Services, Post-Stabilization Care, Out-of-Area Urgent Care, and emergency ambulance Services

Annual Out-of-Pocket Maximum for Certain Services

For Services subject to the maximum, you will not pay any more Cost Share during a calendar year if the Copayments and Coinsurance you pay for those Services, plus all your payments toward the Plan Deductible, add up to one of the following amounts:

For self-only enrollment (a Family of one Member)	\$4,000 per calendar year
For any one Member in a Family of two or more Members	\$4,000 per calendar year
For an entire Family of two or more Members	\$8,000 per calendar year

Plan Deductible for Certain Services

For Services subject to the Plan Deductible, you must pay Charges for Services you receive in a calendar year until you reach one of the following Plan Deductible amounts:

For self-only enrollment (a Family of one Member)	\$1,500 per calendar year
For any one Member in a Family of two or more Members	\$1,500 per calendar year
For an entire Family of two or more Members	\$3,000 per calendar year

Lifetime Maximum

None

Professional Services (Plan Provider office visits)

You Pay

Most primary and specialty care consultations, evaluations, and treatment	\$20 per visit (Plan Deductible doesn't apply)
Routine physical maintenance exams, including well-woman exams	No charge (Plan Deductible doesn't apply)
Well-child preventive exams (through age 23 months)	No charge (Plan Deductible doesn't apply)
Family planning counseling and consultations	No charge (Plan Deductible doesn't apply)
Scheduled prenatal care exams	No charge (Plan Deductible doesn't apply)
Eye exams for refraction	No charge (Plan Deductible doesn't apply)
Hearing exams	No charge (Plan Deductible doesn't apply)
Urgent care consultations, exams, and treatment	\$20 per visit (Plan Deductible doesn't apply)
Most physical, occupational, and speech therapy	\$20 per visit (Plan Deductible doesn't apply)

Outpatient Services

You Pay

Outpatient surgery and certain other outpatient procedures	20% Coinsurance after Plan Deductible
Allergy injections (including allergy serum)	No charge (Plan Deductible doesn't apply)
Most immunizations (including the vaccine)	No charge (Plan Deductible doesn't apply)
Most X-rays and laboratory tests	\$10 per encounter (Plan Deductible doesn't apply)
Preventive X-rays, screenings, and laboratory tests as described in the <i>EOC</i>	No charge (Plan Deductible doesn't apply)
MRI, most CT, and PET scans	\$50 per procedure (Plan Deductible doesn't apply)
Health education:	
Covered individual health education counseling	No charge (Plan Deductible doesn't apply)
Covered health education programs	No charge (Plan Deductible doesn't apply)

Hospitalization Services

You Pay

Room and board, surgery, anesthesia, X-rays, laboratory tests, and drugs	20% Coinsurance after Plan Deductible
--	---------------------------------------

Emergency Health Coverage

You Pay

Emergency Department visits	20% Coinsurance after Plan Deductible
-----------------------------------	---------------------------------------

Ambulance Services

You Pay

Ambulance Services	\$150 per trip (Plan Deductible doesn't apply)
--------------------------	--

(continues)

Proposed Benefit Summary*(continued)***Prescription Drug Coverage****You Pay**

Covered outpatient items in accord with our drug formulary guidelines:

Most generic items at a Plan Pharmacy	\$10 for up to a 30-day supply, \$20 for a 31- to 60-day supply, or \$30 for a 61- to 100-day supply (Plan Deductible doesn't apply)
Most generic refills through our mail-order service.....	\$10 for up to a 30-day supply or \$20 for a 31- to 100-day supply (Plan Deductible doesn't apply)
Most brand-name items at a Plan Pharmacy.....	\$30 for up to a 30-day supply, \$60 for a 31- to 60-day supply, or \$90 for a 61- to 100-day supply (Plan Deductible doesn't apply)
Most brand-name refills through our mail-order service	\$30 for up to a 30-day supply or \$60 for a 31- to 100-day supply (Plan Deductible doesn't apply)

Durable Medical Equipment**You Pay**

Most covered durable medical equipment for home use in accord with our durable medical equipment formulary guidelines.....	20% Coinsurance (Plan Deductible doesn't apply)
--	---

Mental Health Services**You Pay**

Inpatient psychiatric hospitalization	20% Coinsurance after Plan Deductible
Individual outpatient mental health evaluation and treatment.....	\$20 per visit (Plan Deductible doesn't apply)
Group outpatient mental health treatment	\$10 per visit (Plan Deductible doesn't apply)

Chemical Dependency Services**You Pay**

Inpatient detoxification	20% Coinsurance after Plan Deductible
Individual outpatient chemical dependency evaluation and treatment	\$20 per visit (Plan Deductible doesn't apply)
Group outpatient chemical dependency treatment	\$5 per visit (Plan Deductible doesn't apply)

Home Health Services**You Pay**

Home health care (up to 100 visits per calendar year)	No charge (Plan Deductible doesn't apply)
---	---

Other**You Pay**

Skilled nursing facility care (up to 100 days per benefit period)	20% Coinsurance (Plan Deductible doesn't apply)
Covered external prosthetic devices, orthotic devices, and ostomy and urological supplies.....	No charge (Plan Deductible doesn't apply)
All Services related to covered infertility treatment.....	50% Coinsurance (Plan Deductible doesn't apply)
Hospice care.....	No charge (Plan Deductible doesn't apply)

This is a summary of the most frequently asked-about benefits. This chart does not explain benefits, Cost Share, out-of-pocket maximums, exclusions, or limitations, nor does it list all benefits and Cost Share amounts. For a complete explanation, please refer to the EOC. Please note that we provide all benefits required by law (for example, diabetes testing supplies).



KAISER PERMANENTE®

Kaiser Permanente HMO for Doctors Medical Center

	Initial Offering
Annual Deductible: Individual / Family per calendar year(s)	None / None
Maximum Out-Of-Pocket	\$1,500 per member, \$3,000 per family
Maximum Lifetime Benefit	None / None
Hospital Inpatient (all services rendered while hospitalized)	
	No charge
Outpatient (specialty, routine, eye/hearing exams, and urgent care)	
	\$15 per visit
Well-child preventive care visits (23 months or younger)	No charge
Scheduled prenatal care and first postpartum visit	No charge
Outpatient surgery	\$15 per procedure
Allergy Injections / Immunizations	No charge
X-rays and Lab tests	No charge
Ambulance services	\$50 per trip
Emergency department visits	\$100 per visit
Outpatient Prescription Drugs (pharmacy and mail order)	
	\$10 gen / \$20 brand, \$20 gen / \$40 brand MOI
Days supply	30 days, 100 days MOI
Mental Health Services	
Inpatient psychiatric care / days per calendar year	No charge
Outpatient individual therapy visits	\$15 per visit
Outpatient group therapy visits	\$7 per visit
Chemical Dependency Services	
Inpatient detoxification	No charge
Outpatient individual therapy visits	\$15 per visit
Outpatient group therapy visits	\$5 per visit
Transitional Residential Recovery Services	No charge
Infertility Services	
Covered services related to the diagnosis and treatment of infertility	50% per visit
Additional Benefits	
Supplemental Durable Medical Equipment	20% per item
Skilled Nursing, Home and Hospice Care	No charge
Optical eyewear (frames, lenses, contact lenses)	covered
Hearing aids	Not covered
Chiropractic	\$10 per visit to 40 visits to 40 visits
Dental	Not covered
Additional Features	
Email Physician – Patient to Doctor	No charge
Prescriptions ordered online	No additional charge
Schedule Appointment or view personal medical record online	No charge
View Lab results online	No charge
Health Risk Assessment – personal online tool for members	No charge

Proposed Monthly Dues Effective 01/01/2014 to 12/31/2014

The information presented in this chart is a summary only. For a complete understanding of benefits, please read this chart in conjunction with the Evidence of Coverage (EOC). The EOC contains a detailed explanation of benefits, exclusions, and limitations. We reserve the right to modify the rates and benefits if we receive further clarification of Federal Health Reform requirements, or to incorporate other applicable Federal Health Reform requirements. In addition, Kaiser Permanente reserves the right to make any change in these rates and benefits due to changes in State or Federal legislation or regulatory action.

DRAFT

Retiree medical for NUHW members:

The Medical Center will transition its Medical Retiree Account effective January 1, 2013 to cover any benefited employee who retires at 65 or after with at least 20 continuous years of service.

The benefit will provide up to \$75.00 per month of medical coverage to supplement Medicare benefits. The payment will be paid to the carrier of choice of the employee.

The employer will cease all contributions to the fund.



DMC INCENTIVE PLANS

Improving Our Culture

REPRESENTED

1%

ORGANIZATION - 60%

INDIVIDUAL OR DEPARTMENT - 40%

TARGET & EXCEEDING

1. Patient Satisfaction 10% - 15% - 20%
PER YEAR
2. Financial Margins
3. Healthy Workforce

JOINT ACTIVITIES
TOOLS & SUPPORT

JERILOU H. COSSACK
ARBITRATOR, MEDIATOR, FACTFINDER

RECEIVED

MAR 19 2014

ADMINISTRATIVE

3231 Quandt Road • Lafayette, California 94549
Telephone: (925) 939-1904 • Fax: (925) 939-1904 • E-mail: jhc@jerilou-cossack.com

March 18, 2014

James Boatman
Chief Financial Officer
Doctors Medical Center
2000 Vale Road
San Pablo, CA 94806

Fred Seavey
National Union of Healthcare Workers
5801 Christie Ave., Suite 525
Emeryville, CA 94608-1986

Re: Doctors Medical Center and
United Healthcare Workers
(Factfinding)

Dear Panel Members:

Enclosed please find a draft Factfinding Report in the captioned matter. I have no pride of authorship, so please feel free to suggest those changes you think are appropriate.

If you wish to write a separate concurring/dissenting opinion, please feel to do so. I will append it to the final Report.

Thank you for your courtesy and consideration.

Very truly yours,



Jerilou H. Cossack
Arbitrator

Jerilou H. Cossack
Arbitrator / Mediator / Factfinder
925-939-1904
jhc@jerilou-cossack.com

FACTFINDING REPORT

In the Matter of a Controversy Between)
DOCTORS MEDICAL CENTER)
Employer)
and) PERB CASE No. ???
NATIONAL UNION OF HEALTHCARE)
WORKERS (NUHW))
Union)

APPEARANCES:

For the Employer: Bob Redlo, Vice-President of Patient Relations
Doctors Medical Center
2000 Vale Rd.
San Pablo, CA 94806

For the Union: Brian McNamara, Organizer
National Union of Healthcare Workers
225 W. Broadway, Suite 315
Glendale, CA 91204

In accordance with the requirements of Government Code 3505, a Factfinding Panel was appointed by the Public Employment Relations Board due to the existence of a continuing and unresolved controversy between the Employer and the Union. The following persons were designated as panel members:

James Boatman – Employer Appointed Member

Fred Seavey – Union Appointed Member

Jerilou H. Cossack - Chairperson

The panel met and deliberated in executive session on February 17, 2014. When efforts to settle the matter proved unsuccessful, the panel met on February 18, 2014 and heard testimony on the remaining unresolved issues.

Taking into account all of the evidence and argument as presented by the parties, and the statutory criteria, the panel chairperson recommends as follows:

1. All previous tentative agreements will be honored.
2. The term of agreement will be effective upon ratification and will expire July 31, 2015.
(Both parties agreed to this expiration date.)

3. Wages

The Employer has proposed a 1% salary schedule increase for all unit employees, effective with the first payroll period after ratification by the parties. In addition, in its November 14, 2013 Last, Best & Final Offer, the Employer proposes an incentive plan based on factors such as patient satisfaction and financial conditions that could result in a 1% bonus in January, 2015. In a subsequent final offer made on the first day of the factfinding process, the Employer withdrew the incentive proposal and instead proposed a 1% pay increase effective January 2015, contingent on the passage of a parcel tax by voters in May 2014.

The Union modified its wage proposal on the first day of the factfinding process. Its proposal for consideration by the panel is a 2% wage increase January 1, 2015, 1%

July 2014, and 1% January 2015. In addition, the Union proposes to implement a wage scale for the first time for Sleep Techs, effective January 2014.

Recommendation: The Employer is having serious financial difficulties. It is in the process of going out to stakeholders in the community to seek grants, loans, and other beneficial financial arrangements merely to stay in business. In addition, the voters within the District's geographical boundaries will vote on a parcel tax in May of this year. If the tax passes, it could help keep the doors of this crucial community institution open.

Both parties acknowledge that wages for many classifications within the Union's bargaining unit have fallen well behind that of comparable healthcare facilities. The Union highlights the fact that this bargaining unit has not received several 1% wage increases granted to another unit represented by Public Employees Local One in recent years. However, the Employer points out that the same increases were offered to this unit, but were rejected.

The Union's proposal of a 4% increase over eighteen months, while consistent with comparability and consumer price index increases, does not sufficiently take into account the Employer's dire current financial position.

The formal position of the Employer presented to the panel is the 1% wage increase plus a possible bonus based on unspecified metrics. This bonus proposal seems ill-defined and fraught with possible complications in its interpretation. The other Employer proposal, presented at the beginning of the factfinding process, is more in line with traditional labor relations norms. While the second 1% increase is contingent, it is contingent on a clearly definable "yes or no" vote on the parcel tax. The Employer acknowledges that passage of this tax would significantly improve the medical center's financial health. And, by the parties agreeing to such a provision, there would be an extr incentive for all members of the Doctors Medical Center community to work hard for the passage of the tax.

Therefore, the chairperson's recommendation is to adopt the proposal as put forward by the Employer in its February 17, 2014 last best and final offer: 1% increase first payroll after ratification, and 1% increase January 1, 2015 if the parcel tax passes¹.

4. Categories of employees

Currently, unit employees who are regularly scheduled to work twenty hours per week or more are eligible for benefits. The Employer proposes to raise this threshold to thirty hours. The Employer argues that it can no longer afford to pay benefits to employees who work between twenty and thirty hours per week.

The Union proposes the status quo on this issue. The Union argues that every single comparable jurisdiction has a twenty-hour threshold for benefits.

Recommendation: The chairperson recommends the status quo on categories of employees, as proposed by the Union. As serious as the financial condition of the Employer is, this permanent deviation from the industry norms might place the Employer at a critical disadvantage in regard to recruitment and retention of vital part-time employees in the NUHW-represented classifications. The Union has offered a concession under the health benefits section that is a positive step toward acknowledging the perceived inequities in part-time employees receiving the same benefits as full-time employees. The adoption of higher premiums for certain categories of part-time workers will begin to address the Employer's concern in the this area.

5. Health benefits

Currently, the Employer offers a PPO to all unit members eligible for benefits. Full-time employees pay \$10 per month for coverage. Part-time employees receive pro-rated employer contributions, except that part-time employees with three or more years of service receive benefits at the same level as full-time employees.

The parties have agreed to plan design changes in the PPO. They have also agreed to the addition of two Kaiser plan options as an alternative for employees. The

¹ The Union has also proposed the implementation of a pay scale for a newly-represented classification, sleep technicians. The Employer did not agree to this pay scale, but the reasons for its rejection are not evident from the record. The chairperson suggests the parties meet again to attempt to reach agreement on the implementation of a sleep tech pay scale.

remaining dispute is over employee premium share. The Employer proposes the following monthly unit member contributions:

PPO:

Employee only: \$100
Employee plus one: \$200
Employee plus two or more: \$300

Kaiser Low (Deductible Plan)

Employee only: \$25
Employee plus one: \$50
Employee plus two or more: \$100

Kaiser High

Employee only: \$50
Employee plus one: \$100
Employee plus two or more: \$150

The Union proposes the following monthly unit member contributions:

PPO:

Employee only: \$100
Employee plus one: \$200
Employee plus two or more: \$300

Kaiser Low (Deductible Plan)

Employee only: \$10
Employee plus one: \$15
Employee plus two or more: \$20

Kaiser High

Employee only: \$20
Employee plus one: \$30
Employee plus two or more: \$40

While the Union's proposal for PPO co-premiums is the same as the Employer's, the Union's PPO co-premium increases sunset with the expiration of the agreement. The Employer's do not. In addition, the Union proposes that for employees regularly scheduled to work between 20 and 28 hours per week, employee contributions for Kaiser plans be as follows:

Kaiser Low (Deductible Plan)

Employee only: \$25
Employee plus one: \$35
Employee plus two or more: \$45

Kaiser High

Kaiser High

Employee only: \$50
Employee plus one: \$75
Employee plus two or more: \$85

In the Union's proposal, these part-time workers would pay the same employee contribution for the PPO plan as full-time employees pay.

The Employer argues that health care costs have been spiraling out of control in recent years, and driving the Employer's compensation costs to unsustainable levels.

The Union asserts that it acknowledges that the Employer needs relief from benefit costs, and has made a proposal that would save the Employer about one million dollars per year. The Union also proposes that the PPO increase sunset because that was agreed to by the Employer with the Local One unit. Finally, the Union argues that it has made a large step toward addressing the Employer's concern about part-time workers' benefits by proposing higher employee premium share for these unit members.

Recommendation: The chairperson recommends the Union's health benefit proposal. It is understandable that the Employer is seeking to raise employee contributions from the current \$10 per month. However, the out-of-pocket employee contribution increase the Employer is seeking, even for the most affordable plan, is too drastic. The Union's proposal makes significant concessions on health benefits, including taking a step toward correcting an inequitable structure that currently favors part-time employment.

The one portion of the Union's health benefit proposal the chairperson does not recommend is the sunset provision. If this clause were to be agreed to, the Employer would not be able to budget these attained savings going forward past July 2015. And the Local One sunset provision was no doubt attained in exchange for other concessions not contemplated in this package recommendation.

6. Retiree medical benefits

The parties currently have a side letter on retiree health that establishes a Medical Reimbursement Account. The employer contributes 1% of payroll annually into this account for eligible unit members.

The Employer proposes to phase this out and substitute a \$75 per month contribution toward a Medicare supplement for eligible retired unit members. The Union agrees with this proposal subject to legal review, but proposes that any employee who has retired and met the criteria of the previous retiree health fund will be able to access the funds allocated for them.

The record of the factfinding hearing was not sufficient for the chairperson to make a recommendation on this issue. Therefore, the chairperson recommends that the parties continue to explore the transition of their retiree health plan with the assistance of legal counsel.

Conclusion

The parties worked hard during the factfinding process to attempt to reach an agreement. The undersigned urges the parties to continue these efforts. These are a critical few months for the Employer and its employees. Having a labor agreement in place could serve as the basis for further cooperation between the parties in their efforts to save this important community healthcare facility. The chairperson hopes that this report assists the parties in reaching this goal.

Respectfully submitted,
Jerilou H. Cossack
Factfinding Panel Chairperson

Submitted this th Day of March 2014
Lafayette, California

James Boatman
On Behalf of the Employer

I concur _____

I dissent _____

Date: _____

Fred Seavey
On behalf of the Union

I concur _____
I dissent _____

Date: _____

Doctor's Medical Center and NUHW
Case No. SF-IM-137-M

Doctors Medical Center Representative to the Factfinding Panel
James Boatman

Concurring and Dissenting Opinion to the Findings of Fact and Recommended Terms of
Settlement:

As a representative for Doctors Medical Center to the Factfinding Panel, I concur with some portions of the recommendation and dissent with others. I am providing the following opinion.

Concurrence:

I concur with the recommendations of Panel Chairperson Cossack on the following matters:

- 1) All previous tentative agreements will be honored.
- 2) The term of the agreement will be effective upon ratification and will expire July 31, 2015.
- 3) **Wages:** The wage recommendation of 1% increase the first payroll after ratification and 1% increase January 1st 2015 if the parcel tax passes.

Dissent:

I respectfully dissent from the following recommendations and make the following recommendations:

- 4) **Categories of employees:** I recommend that the employer move to the same program that it has instituted for its two other unions represented by Local One and for its non-union employees. For employees hired before April 1st, 2014, the threshold for benefits would be 28 hours with the understanding that on a one-time basis, the employer would work with the union if the department budget permits, to raise employees who choose to work more hours up to 28 hours. After April 1st, the threshold for benefits would be 30 hours.
- 5) **Health Benefits:** I recommend the employer's last best and final offer. The employer is offering a low cost plan which includes dental and vision for those employees that cannot afford Cadillac benefits. The Kaiser High plan offers very similar benefits as the PPO plan at one /half the cost to the employee. The employer's premiums have doubled over the last five years and the amount of employee contribution may not even cover the increases in premiums over the next two years. Both units of Local One have voluntarily accepted the new rates in February, 2014 and all non-union employees pay the same rates. I agree with Chairperson's Cossacks recommendation that there should be no sunset provision.

- 6) **Retiree Medical Benefits:** I recommend that we follow the agreement worked out at the mediation session by the parties at the first day of Factfinding. The language of the agreement would be the employers last best and final language with the additional language recommended by the union that the employer would send a letter to the last known address of any employee who qualified as being retired, and met the criteria of the fund, that they could access the remaining funds in the fund that may be allocated to them.

Respectfully Submitted,



James Boatman
March 19, 2014

April 4, 2014

Jerilou H. Cossack, Arbitrator
3231 Quandt Road
Lafayette, CA 94549

James Boatman, CFO
Doctors Medical Center San Pablo
2000 Vale Road
San Pablo, CA 94806

RE: FACTFINDING REPORT IN THE MATTER OF DOCTORS MEDICAL CENTER SAN PABLO AND
NATIONAL UNION OF HEALTHCARE WORKERS (NUHW)

Dear Ms. Cossack:

I am the NUHW-appointed member of the Factfinding Panel that met on February 17-18 to consider the above-referenced matter. I have reviewed your draft Factfinding Report dated March 18, 2014 and am submitting the following opinion that both concurs and dissents with recommendations contained in your report.

Items 1, 2 and 4:

I concur with your recommendations on Items 1, 2, and 4.

With respect to Item 4 ("Categories of Employees"), you recommended that the parties maintain their current contractual standard that specifies that employees who are regularly scheduled to work 20 hours per week or more shall be eligible for benefits. As your report notes, every single comparable jurisdiction has a similar twenty-hour threshold for benefit eligibility.

Item 5:

With respect to Item 5 ("Health Benefits"), I concur with the bulk of your recommendation and urge you to reconsider your position on one issue. Specifically, I concur with your recommendation that the parties adopt NUHW's health benefit proposal regarding plan design. As you noted, this proposal represents a significant sacrifice on the part of NUHW's members who will face increasing costs and reduced accessibility of services. Due to the changed benefit design and cost structure, NUHW's members will not only experience an increased cost burden but will lose access to the facilities and doctors from whom they and their families currently receive care. The impact of these changes cannot be overemphasized.

I dissent with, and ask you to reconsider your recommendation on, the sunset provision as it relates to the changes in the DMC Health Plan. You argue that a sunset provision would be burdensome for the Employer. However, the Employer has already accepted an identical sunset provision in a recently adopted Collective Bargaining Agreement (CBA) with a second union that also represents employees at Doctors Medical Center San Pablo: namely, Public Employee Union Local 1. Given this circumstance, NUHW's proposal for a sunset provision would not be overly burdensome to the Employer and, furthermore, would serve to create more equitable circumstances and compensation among the Employer's employees. I urge you to reconsider your position on this matter.

Item 3:

With respect to Item 3 ("Wages"), I dissent with, and ask you to reconsider your recommendation on, wage increases.

While all of the parties recognize the Employer's challenging financial circumstances, it also is important to consider (a) the financial circumstances of employees and their families, (b) the Employer's practices with respect to providing wage increases to other units of employees at the hospital and (c) the comparability of the Employer's wages with those of other public-sector hospitals in the region.

As the Union noted in its presentation, NUHW's members have received a total pay increase of only 1.7% during the past five years. When adjusted for inflation, NUHW members' wages have declined by 9.2% during this period. Meanwhile, the Employer's financial circumstances have been sufficiently sound to enable it to provide much larger pay increases to two other units of the Employer's employees. Specifically, the employer provided pay increases of at least 8% and 11.5% to members of Local 1 and the CNA, respectively, during this same time period.

Additionally, NUHW presented data during the factfinding process indicating that NUHW members' wage rates are far below those of other area public-sector hospitals. For example, NUHW members' wage rates are as much as 16% lower than the average wage rates for identical classifications at nearby public-sector hospitals. NUHW also noted that when total compensation is considered (that is, including health benefits, retirement, retiree health benefits, etc.), they Employer is even further behind the existing compensation levels of other public-sector hospitals in the region.

In its presentation, NUHW noted that it does not seek to bridge the entire wage gap during these negotiations due to the hospital's challenging financial circumstances. Instead, NUHW's wage proposal is modest and seeks a 2% pay increase in January 2014, 1% in July 2014, and 1% in January 2015.

The Employer will achieve substantial financial savings from benefit changes and other changes that you have recommended. I urge you to consider the economic impact of these changes on employees and their families and to distribute some of the Employer's savings to employees by recommending improved wage increases.

Your recommendation for a 1% wage increase in January 2015 that's contingent upon the passage of a parcel tax is certainly better than the Employer's initial proposal of an ill-defined bonus. However, it is important to note that the passage of a parcel tax would generate an estimated \$20 million a year in additional revenues for the Employer, thereby providing sufficient resources to provide much more than a 1% raise.

For these reasons, I dissent with your recommendation regarding wages.

Other Items:

You may recall that there are three additional contract language issues where the parties were in dispute at the commencement of the factfinding process. These issues were not discussed at length during the presentations but were discussed in the beginning of the factfinding process. As I recall, the Employer indicated a willingness to accept the Union's proposals in these areas during informal discussions but did not formally amend its proposals. These issues were not addressed in your Factfinding Report and I would like to know what, if any, recommendation you have on them.

These three contract language issues are;

The Union's proposal to add the following language to Section 6 (Hours of Work) in order to codify what has been the Employer's long-standing practice: "Employees who are regularly scheduled to work 12-hour shifts will receive overtime for all hours worked in excess of 36 hours in a work week."

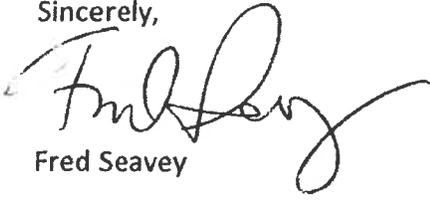
The Union's proposal to remove the following statement from Section 6 (Hours of Work): "Any remedy for violation of this Section shall be prospective only." Both the Union and the Employer appeared to agree that this language is confusing and is not intended to prevent a remedy to a grievance filed over a violation of this section. I think the parties believed that this sentence was a remnant from when language was crafted several decades ago and was intended to mean prospective from the date the language was accepted.

The Union's proposal to add the following language to Section 23 (Seniority), Subsection B (Posting and Filling of Vacancies): "For the purpose of this section, an employee who is on a layoff or has had their FTE status reduced as part of a reduction in force will be treated at the status they occupied before the layoff/reduction provided that such employee meets the qualifications of the classification."

Finally, the Union proposed that it have the right to take any outstanding grievances that have occurred since the expiration of the contract to final and binding arbitration upon settlement of the contract. This issue was not addressed in your Factfinding Report and I believe this is another issue over which the parties were in agreement informally but for which the Employer did not formally amend its position. I request that you inform the parties of what, if any, recommendation you intend to make on these contract language issues.

I thank you for your time and your consideration of my aforementioned recommendations.

Sincerely,

A handwritten signature in cursive script, appearing to read "Fred Seavey". The signature is written in black ink and is positioned to the right of the word "Sincerely,".

Fred Seavey

Resolution NO 2014 - _____

Resolution of the West County West Contra Costa Health District (the District) regarding the implementation of the Last Best and Final offer by WCCHD, DMC to National Union of Health Workers (NUHW.)

WHEREAS, the District and NUHW, have been in negotiations since 2012 over a new labor agreement; and

WHEREAS, the parties reached impasse and submitted their dispute to fact –finding in 2014; and

WHEREAS, that Fact Finding Report was completed and released dated March 18, 2014; and

WHEREAS, that Fact Finding Report agreed with the District on certain points and agreed with NUHW on certain points; and

WHEREAS, the District is not obligated to accept the recommendations of the Fact Finding Report and is legally permitted to implement its original final offer; and

WHEREAS, given the District’s significant financial challenges and the need to reduce expenses in order to remain open; and

WHEREAS, the reduction in NUHW employee related expenses are included in the 5x8 Plan developed by the District Board of Directors as a necessary component of the Plan to save Doctors Medical Center.

NOW THEREFORE BE IT RESOLVED by the Governing Body of the Board of Directors of West Contra Costa Healthcare District, that management is authorized to proceed with implementation of the District’s “last, best and final offer” effective January 1, 2015.