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**West Contra Costa Healthcare District  
Doctors Medical Center  
Governing Body  
Board of Directors**

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**Wednesday, June 26th, 2013  
4:30 PM  
Doctors Medical Center  
Auditorium  
2000 Vale Road  
San Pablo, CA**



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

**GOVERNING BODY  
BOARD OF DIRECTORS**

**WCCHD DOCTORS MEDICAL CENTER  
GOVERNING BODY BOARD OF DIRECTORS  
JUNE 26, 2013 – 4:30 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**

- |   |              |
|---|--------------|
| <b>1. CALL TO ORDER</b>   | E. Zell      |
| <b>2. ROLL CALL</b>   |              |
| <b>3. APPROVAL OF MINUTES OF MAY 30, 2013</b>   | E. Zell      |
| <b>4. PUBLIC COMMENTS</b><br><i>[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]</i> | E. Zell      |
| <b>5. DOCTORS MEDICAL CENTER SERVICE LEAGUE REPORT</b>  | P. Moreno    |
| a. Presentation   |              |
| b. Discussion   |              |
| c. Public Comment   |              |
| d. <b>ACTION:</b> <i>For Information Only</i>   |              |
| <b>6. QUALITY REPORT</b>  | B. Ellerston |
| a. Presentation   |              |
| b. Discussion   |              |
| c. Public Comment   |              |
| d. <b>ACTION:</b> <i>Acceptance of the Quality Report</i>   |              |

7. **FINANCIALS – MAY 2013** J. Boatman
- a. Presentation
  - b. Discussion
  - c. Public Comment
  - d. *ACTION: Acceptance of the May 2013 Financials*
8. **CAPITAL EXPENSE REQUESTS: FIRE DETECTION AND FUEL TANK STORAGE REMOVAL** J. Boatman
- a. Presentation
  - b. Discussion
  - c. Public Comment
  - d. *ACTION: Approval of Capital Expense Request for Fire Detection Equipment; Approval of Capital Expense Request for Fuel Tank Storage Removal*
9. **PHYSICIAN CONTRACT: CLINICAL RESOURCE MANAGEMENT MEDICAL DIRECTOR – DR. SHARON DRAGER** K. White
- a. Presentation
  - b. Discussion
  - c. Public Comment
  - d. *ACTION: Approve Proposed Contract for Clinical Resource Management Medical Director Contract with Dr. Sharon Drager*
10. **CEO REPORT** D. Gideon
- a. Presentation
  - b. Discussion
  - c. Public Comment
  - d. *ACTION: For Information Only*
11. **MEDICAL EXECUTIVE REPORT** L. Hodgson, M.D.
- a. Presentation
  - b. Discussion
  - c. Public Comment
  - d. *ACTION: Approval of Medical Staff Credentials and Privileges Report*

**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.



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**MINUTES**  
**May 30, 2013**

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**TAB 3**



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

**May 30, 2013, 5:00 P.M.  
Doctors Medical Center - Auditorium  
2000 Vale Road  
San Pablo, CA 94806**

**MINUTES**

**1. CALL TO ORDER**

The meeting was called to order at 5:00 P.M.

**2. ROLL CALL**

Quorum was established and roll was called: 5:10 PM

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

Excused:        *Nancy Casazza*  
                    *Patrick Godley*

### 3. APPROVAL OF APRIL 24, 2013 MINUTES

*The motion made by Director Irma Anderson and seconded by Supervisor John Gioia to approve the April 24, 2013 minutes passed unanimously.*

### 4. PUBLIC COMMENTS

Tami Roncskevitz, R.N. read a letter that she has sent to local media highlighting her concerns with the Governing Body and management, with particular emphasis on the top heavy management and the salaries paid to consultants/interim management. This is particularly distressing at a time when the hospital is laying off nursing assistants and patient care providers.

Supervisor John Gioia wanted to point out that back in 2006 was losing more than \$30 million, and today it is budgeted to loss about \$10 million.

Maria Sahagun, R.N. pointed out her concerns regarding lack of nursing leadership dedicated to the Emergency Department.

Carol Sims, R.N. expressed her concerns with the decreased number of nursing assistants on the floors, and the condition of some of the equipment.

Essie Green, R.N. stated that she is very concerned about the recent floor closures, starting with the 6<sup>th</sup> floor.

Seung Choo, R.N., and Paulette Jackson, R.N. both expressed concern regarding the cost of the management team.

Kadisha Rodriguez, R.N. pointed out that she doesn't understand why we need a second telemetry unit, when we already have a whole floor for telemetry?

Tennesan He, C.N.A. expressed her concerns regarding staffing on the night shift and her concerns regarding the age of certain equipment.

Vann Renay Thomas, R.N. feels that it's important to address the concerns and demands of the nurses as employee satisfaction directly impacts to patient satisfaction. She highlighted the elimination of the standard stock of food on the patient care units as an example of a cause of patient dissatisfaction.

Director Irma Anderson thanked the nurses for attending and for giving their opinions and suggestions. The problem with finding a permanent CEO is that all of the candidates that are qualified to do the job don't want to take the position because of the financial situation of the hospital. It is administration that keeps this hospital open and we need to thank them.

Director, Deborah Campbell understands that this is a difficult time but we must continue on focus on taking care of the patient. She further asked the speakers to understand that in order to stay open, we need to have budget cuts. Without these cost reductions, the hospital will close and no one will have a job. She encouraged the staff to keep working hard and be thankful that they have a job.

Richard Stern M.D. and Dr. Sharon Drager both pointed out that the interim management team is very anxious to transition to a permanent team, but the hospital has been unsuccessful in recruiting. Dr. Drager stated that she had been an active part of the CEO recruitment efforts last year, and no qualified executive was willing to accept the position. We are attempting to find a merger partner, putting the CEO position at risk. No one is going to accept a job under those conditions.

## **5. QUALITY MANAGEMENT REPORT APRIL 2013**

Ms. Bobbie Ellerston, Chief Nursing Officer, presented and sought acceptance of the April 2013 Quality Management Report. The "Patient Through-Put Committee" has been meeting and has established goals to facilitate the patient's admission in a safe, timely and quality approach through the continuum of care. Other plans include utilizing the PDCA (Plan Do Check Act) approach and LEAN principles. The group has been developing a dashboard to include indicators on ED volume/admission and discharges.

She spoke about the "Code Blue Committee" which has developed laminated responder cards for ICU and is running doing mock codes in the other inpatient units. They have also revised code cart contents and are developing a dashboard for codes and other relevant indicators.

Ms. Ellerston pointed out that the incident of patient falls and patient falls with injury have continued with a downward trend and there have been no falls with injury since 1<sup>st</sup> qtr of 2011. Doctors Medical Center is below the CALNOC benchmark of 2.94.

***A motion made by Director Wallace and seconded by Director Anderson to approve the April 2013 Quality Management Report passed unanimously.***

## **6. FINANCIALS- APRIL 2013**

Mr. James Boatman, CFO, presented and sought acceptance of the April 2013 Financials. Doctors Medical Center had a Net Loss of \$1,777,000 for the month of April. As a result, net income was worse than budget by \$1,032,000.

Mr. Boatman reported that net patient revenue was under budget by \$1,630,000 for the month. Inpatient gross charges were under budget by 17% with patient days and discharges at 22% and 15% under budget respectively. Total outpatient volume was on target with the emergency department beating expectations by 2%. Surgeries were right on target while ancillary volumes were under budget by 2%.

Mr. Boatman pointed out that the majority of the net patient revenue shortfall was in Managed Care at 27% under budget, representing a reduction of \$682,000 in patient revenue. Regular Medicare and Medicare HMO combined was \$633,000 under budget. Patient days were 22% under budget and outpatient volume was 17.9% over budget. Regular Medicare patient days and discharges were under budget by 27% and 13% respectively. Additionally, Medicare reimbursement was reduced by 2% due to mandatory sequestration.

Mr. Boatman updated everyone that Salaries and Benefits combined were over budget by \$125,000. Salaries were favorable by \$240,000 mainly due to continued flexing in nursing, clerical and environmental departments. Benefits were \$365,000 over budget due to consistently higher than budgeted health insurance costs.

Mr. Boatman pointed out that the Supplies this month resulted in a \$148,000 favorable variance due to lower usage related to volume. Purchased Services were under budget by \$382,000 this month due largely to a \$325,000 vendor issued credit for an amendment to the original contract related to the Paragon system. Other Operating Expenses were under budget in April as a result of cost controls over travel, outside training and seminars.

***A motion made by William Walker M.D. and seconded by Director Campbell to accept the April 2013 Financial report passed unanimously.***

## **7. CAPITAL EQUIPMENT REQUEST**

Ms. Bobbie Ellerston, Chief Nursing Officer and Mr. James Boatman, CFO sought approval of a capital item of the 16 Reconditioned TotalCare Support Beds and supporting equipment for the ICU. New mattresses are for increased comfort and wound prevention, thus impacting patient satisfaction. The usual life of mattresses is 10 years, the current mattresses far exceed this age. Cost savings of the purchase includes saving \$23,700/ year in waffle mattresses, and \$39,372/year in heel protectors. After comparing 3 companies, this company was chosen for the best quality and price.

Mr. Boatman stated that we are looking at the ability to finance the purchase through a capital lease, but that may not be a possibility.

***A motion made by Director Campbell and seconded by Director Wallace to approve the capital equipment request passed unanimously.***

## **8. CEO REPORT**

In the interest of time, Ms. Dawn Gideon, Interim president and Chief Executive Officer had no further other current updates.

## **9. MEDICAL EXECUTIVE REPORT**

Dr. Laurel Hodgson presented and sought approval of the medical executive report. Dr. Hodgson discussed the revisions to the Procedural Sedation Policy, revised the Warfarin



order set and a formulary addition of Ofatumumab (ARZERRA) to the pharmacy list. She also presented the credentials and privilege report for approval.

*A motion made by William Walker M.D. and seconded by Director Campbell to approve the April Medical Executive report and Credentials Report passed unanimously.*

**THE MEETING ADJOURNED TO CLOSED SESSION AT 6:15 PM**



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**DMC SERVICE LEGUE  
REPORT  
2013**

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**TAB 5**

**To:** West Contra Costa Healthcare District Governing Body June 2013 Meeting  
**From:** Pamela Moreno, Doctors Medical Center Service League Board President  
**Date:** June 26, 2013  
**Re:** Service League Report to the WCCHD Governing Body

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## **UPDATES**

### **Wish List Program**

Our Wish List Program donates more than ten thousand dollars in equipment to support patient-centered services annually. Funding from this program is raised through our gift shop proceeds and we base our donations on department requests.

For the 2012-2013 fiscal year, we received an unprecedented number of requests. At our last board meeting, we voted to donate more than \$12,000 in equipment to Same Day Surgery, the Cardiac Cath Lab and the Surgery Departments including for a specialized wound-prevention mattress for X-rays and several pieces of equipment for the Operating Rooms.

### **Additional Volunteer Support**

The Service League held one of our annual blood drives at the hospital's Towne Center earlier this month. We exceeded donation goals and the Red Cross was delighted with our outcomes.

Due to dwindling wheelchair availability, the Service League Board voted in May to purchase ten more wheelchairs. This will support the experience at DMC for patients, their loved ones, and our own volunteers and staff.

### **2013-2014 Board Installation**

New Service League Officers for 2013 – 2014 were installed earlier this month. They are: President – Pam Moreno, Vice President – Russell Stith, Recording Secretary – Lucille Owens, Corresponding Secretary – Jean Sizemore, Treasurer – Nancy Miller and Program Director – Delores Berg-David.

We thank Chief of Staff Doctor Laurel Hodgson for attending and swearing in our officers.

### **Current Volunteer Statistics**

Currently, we have more than 90 active volunteers working throughout the hospital. Combined, the volunteers provide more 1,600 hours of service per month.

Respectfully Submitted,

Pamela Moreno  
Service League Board President  
Doctors Medical Center



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## QUALITY REPORT

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**TAB 6**

# Quality Management Report

JUNE 2013



# Mortality Comparison 2011

- ▶ In June, CMS released hospital mortality data for select diagnoses for calendar years 2010 and 2011 for all hospitals nationally
- ▶ Select diagnoses included:
  - Percutaneous Coronary Prevention
  - AMI
  - Heart Failure
  - Acute Stroke
  - Gastro-Intestinal Hemorrhage
  - Hip Fracture
  - Pneumonia
- ▶ Compared total deaths, total number of cases, and percent mortality compared to “expected”



## DMC Comparative Findings for 2011

- ▶ In all diagnoses except AMI, DMC reported mortality as expected for the patient population
- ▶ For AMI, DMC's mortality was half the state average, and the best of the 17 hospitals in the region (noted in a recent article in the Times)



# DMC in Comparison to Other Hospitals in the Region (17 Hospitals in Total)

- ▶ Percutaneous Coronary Prevention
  - DMC had the highest risk adjusted mortality rate, although it was within the expected range
- ▶ AMI
  - DMC was identified as “better than expected”, with mortality at only 2.7% – the lowest in region with all other hospital above 4%
- ▶ Heart Failure
  - DMC was in the middle – 9 hospitals had lower risk adjusted mortality, 7 had higher risk adjusted mortality





# DMC in Comparison to Other Hospitals in the Region (continued)

- ▶ **Acute Stroke**
  - 5 of the 17 hospitals had higher risk adjusted mortality than DMC
- ▶ **GI Hemorrhage**
  - 3 of the 17 hospitals had higher risk adjusted mortality than DMC
- ▶ **Hip Fracture**
  - DMC was in the middle, with 7 hospital reporting higher risk adjusted mortality, and 9 reporting lower mortality
- ▶ **Pneumonia**
  - 3 of the 17 hospitals had a higher risk adjusted mortality than DMC



# Updates in Medical Staff/QA

- ▶ Combined the two Director positions into one
- ▶ Both departments working together on process improvements
- ▶ Reviewing the OPPE/FPPE process
- ▶ Increasing communication between the two departments





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# **FINANCIALS**

## **May 2013**

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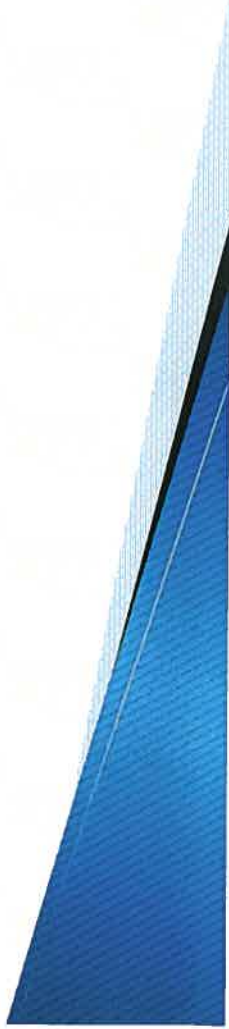
**TAB 7**



# Board Presentation

May 2013

Financial Report



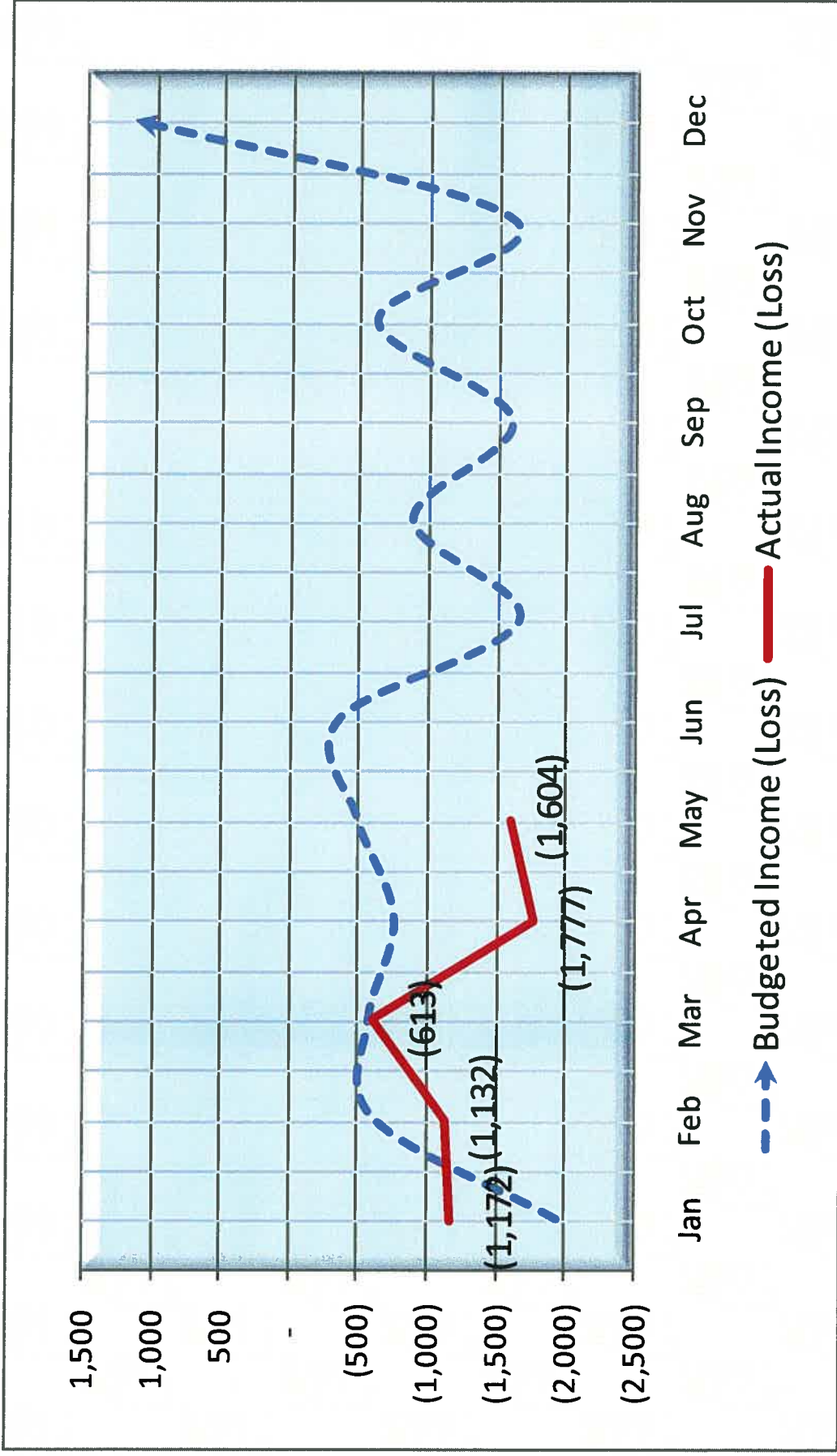
# Financial Report Key Points

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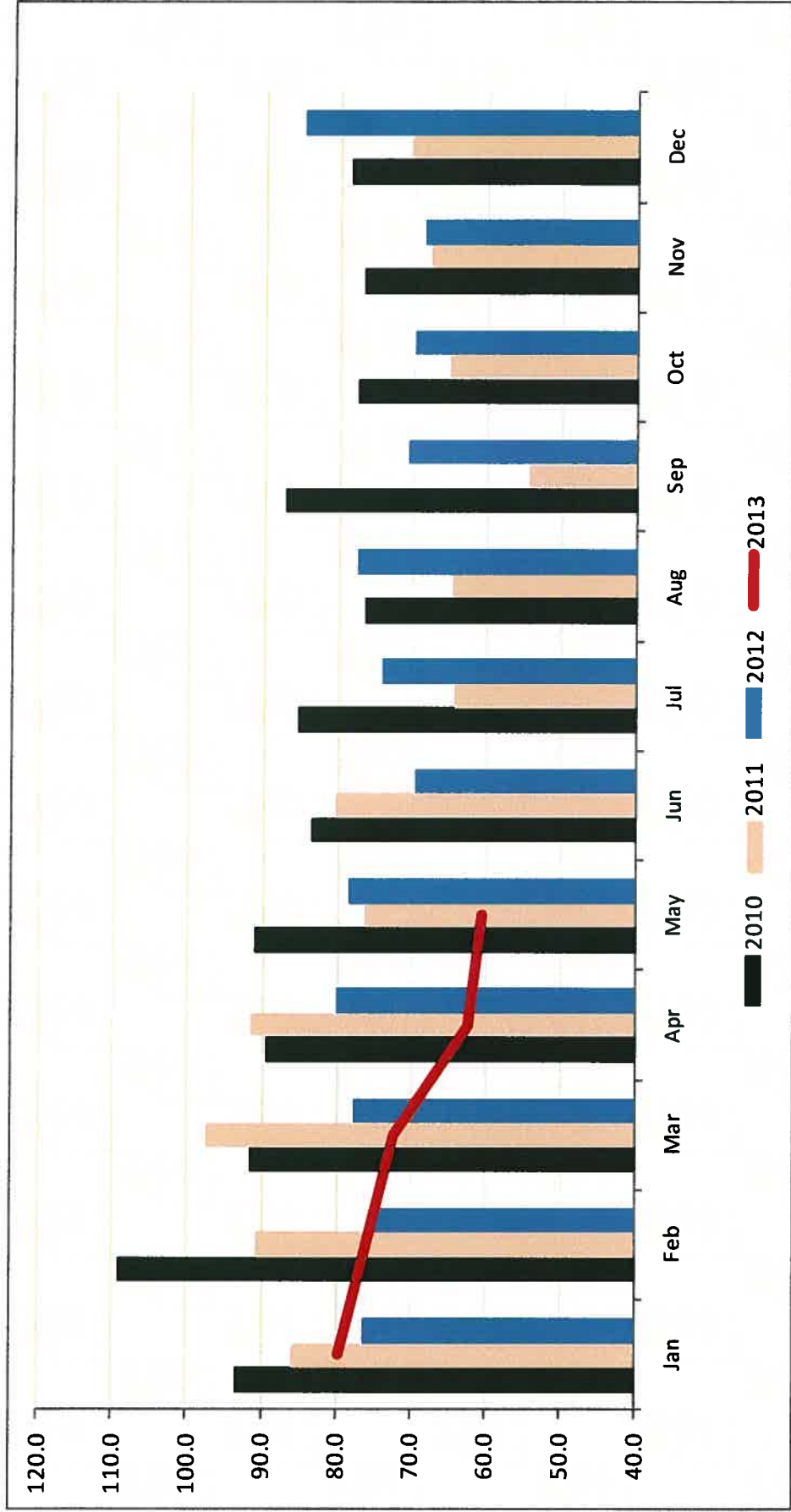
- Net loss was \$1.6M in May, over budget by \$1.1M.
- Net patient revenue was \$1.2M under budget.
- Operating expenses were \$130K under budget.



# Year-to-Date Income

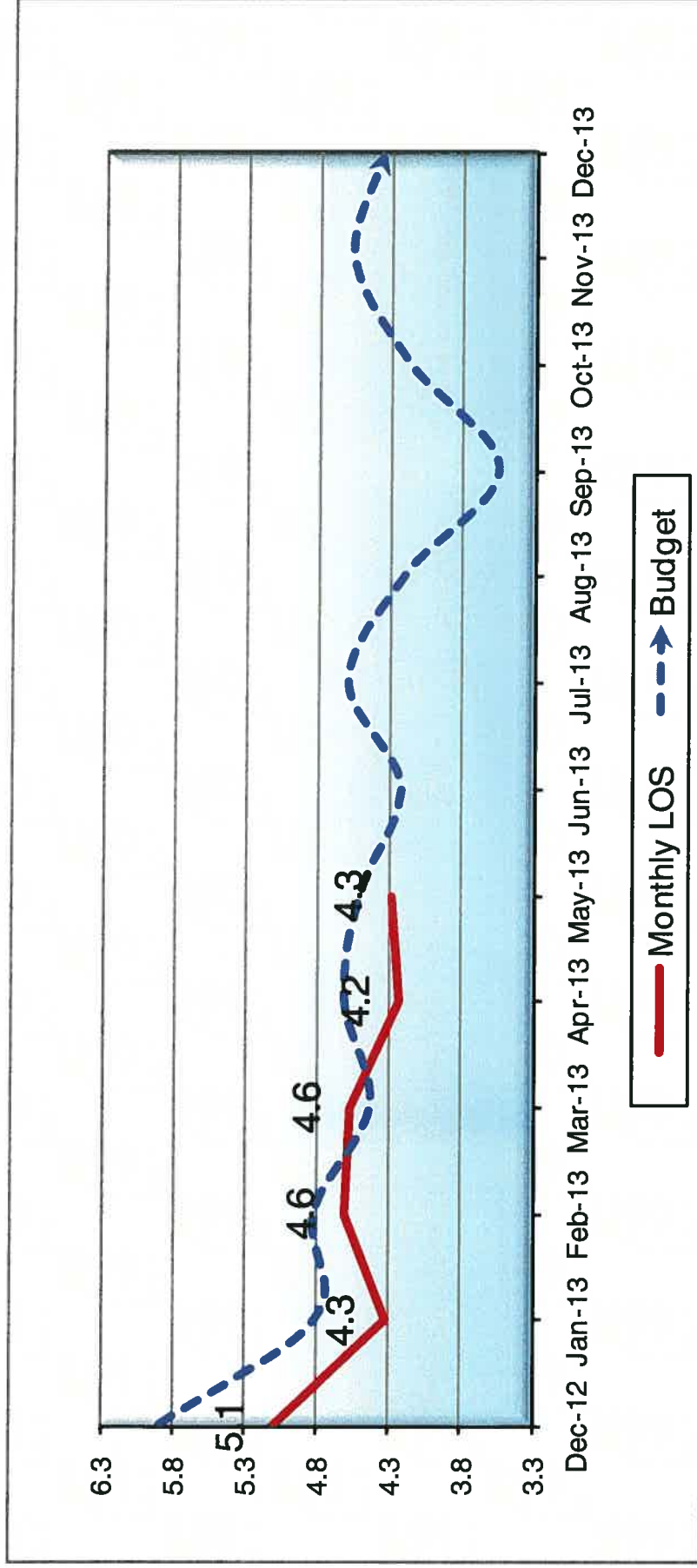


# Average Daily Census Jan-10 thru May-13





# Length of Stay

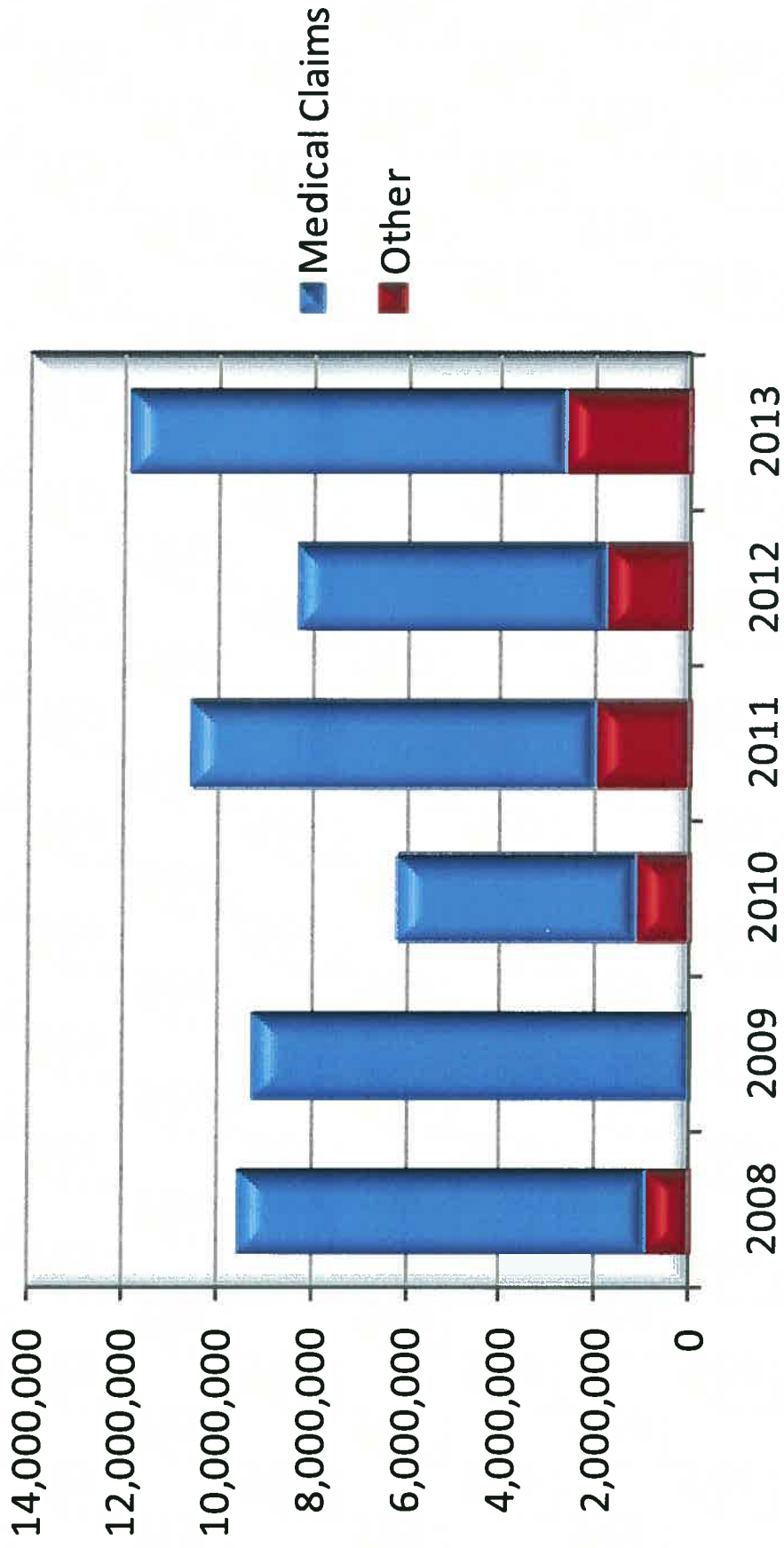




**Statement of Activity – Summary**  
 For the Period Ending  
 May 31, 2013  
*(Thousands)*

	Month to Date		Actual	Year to Date			
	Actual	Var		Budget	Var		
	9,696	10,937	(1,241)	Net Operating Revenues \$	49,630	53,350	(3,720)
	12,034	12,164	130	Total Operating Expenses \$	59,665	61,385	1,720
	(2,338)	(1,226)	(1,112)	Income/(Loss) from Operations \$	(10,035)	(8,035)	(2,000)
	734	748	(14)	Income from Other Sources \$	3,737	3,716	21
	(1,604)	(479)	(1,125)	Net Income / (Loss) \$	(6,298)	(4,319)	(1,979)
	1,878	2,415	(537)	Patient Days	10,588	11,814	(1,226)
	438	534	(96)	Discharges	2,403	2,545	(142)
	6,183	6,400	(217)	Outpatient Visits	30,924	31,478	(554)
	562	600	38	Worked FTE's	592	623	31
	1.49	1.55	(0.06)	Medicare CMI	1.57	1.55	0.02

# MEDICAL BENEFITS



# Cash Position

May 31, 2013

*(Thousands)*

	May 31, 2013	December 31, 2012
Unrestricted Cash	\$1,952	\$5,059
Restricted Cash	\$13,597	\$11,612
Total Cash	\$15,549	\$16,671
Days Unrestricted Cash	5	11
Days Restricted	37	27
Total Days of Cash	42	39

California Benchmark Average	34
Top 25%	82
Top 10%	183

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# Accounts Receivable

May 31, 2013

*(Thousands)*

	May 31, 2013	December 31, 2012
Net Patient Accounts Receivable	\$21,411	\$31,007
Net Days in Accounts Receivable	70.1	92.6

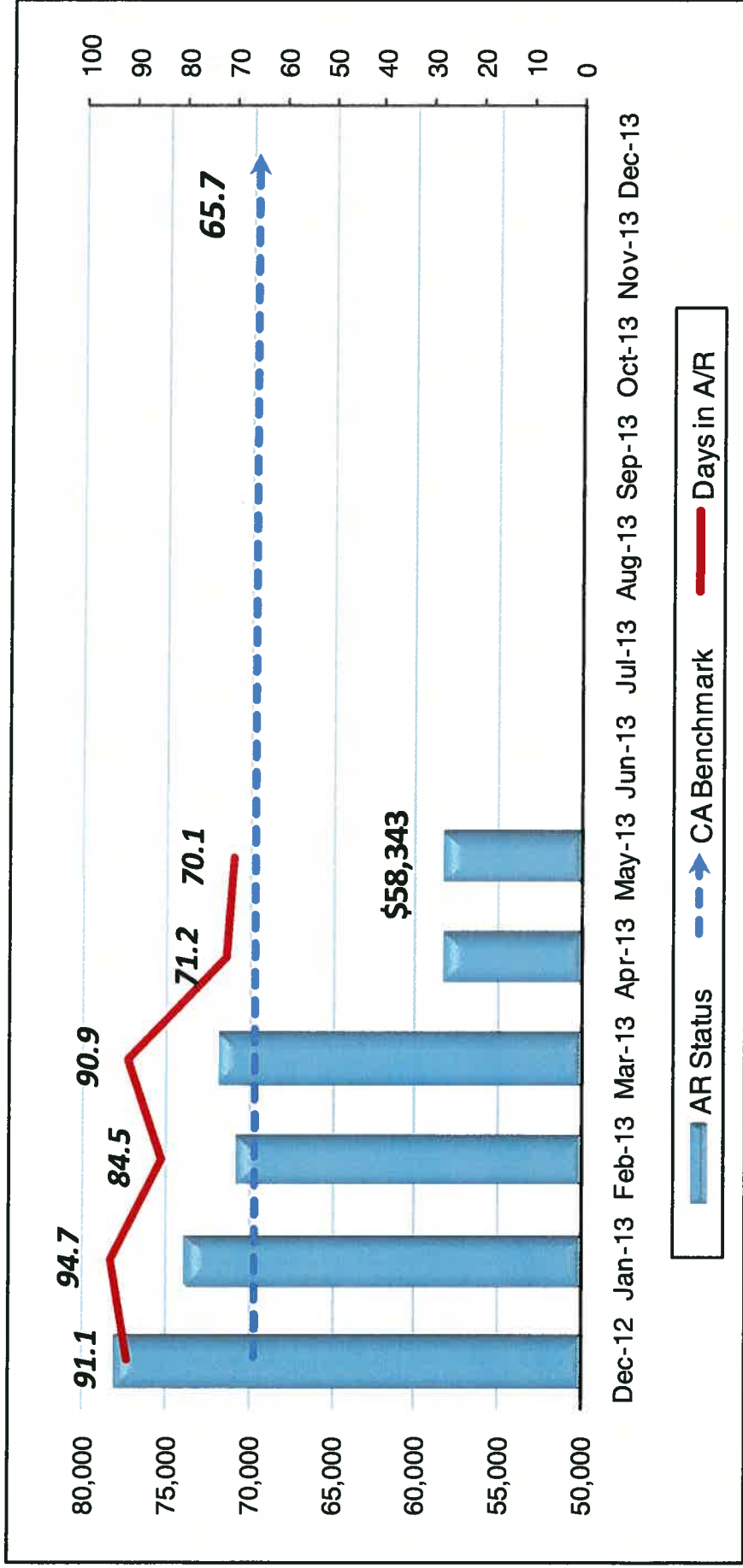
California Benchmark Average 65.7 days

Top 25% 45.2 days

Top 10% 35.5 days

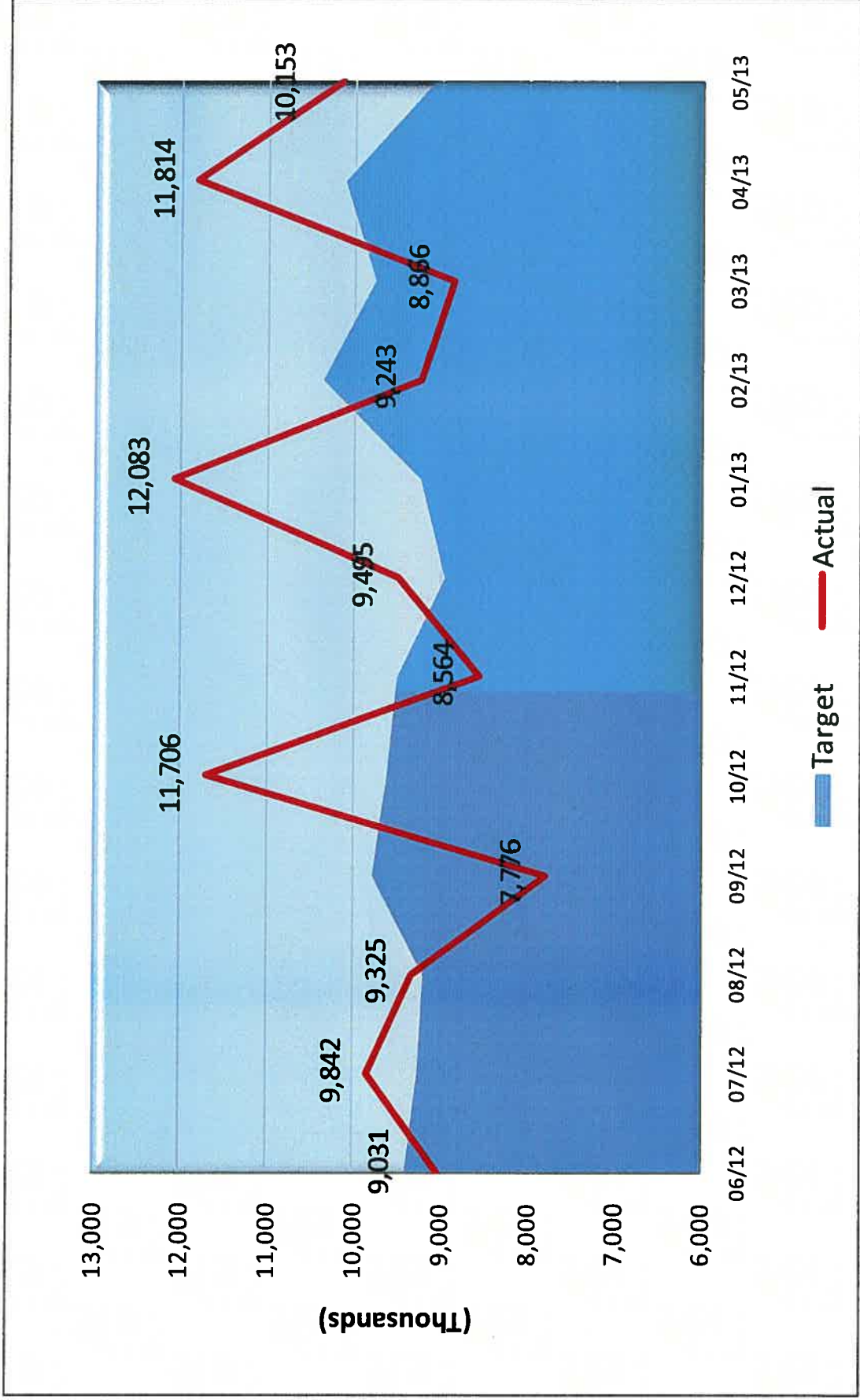


# Net Days in A/R

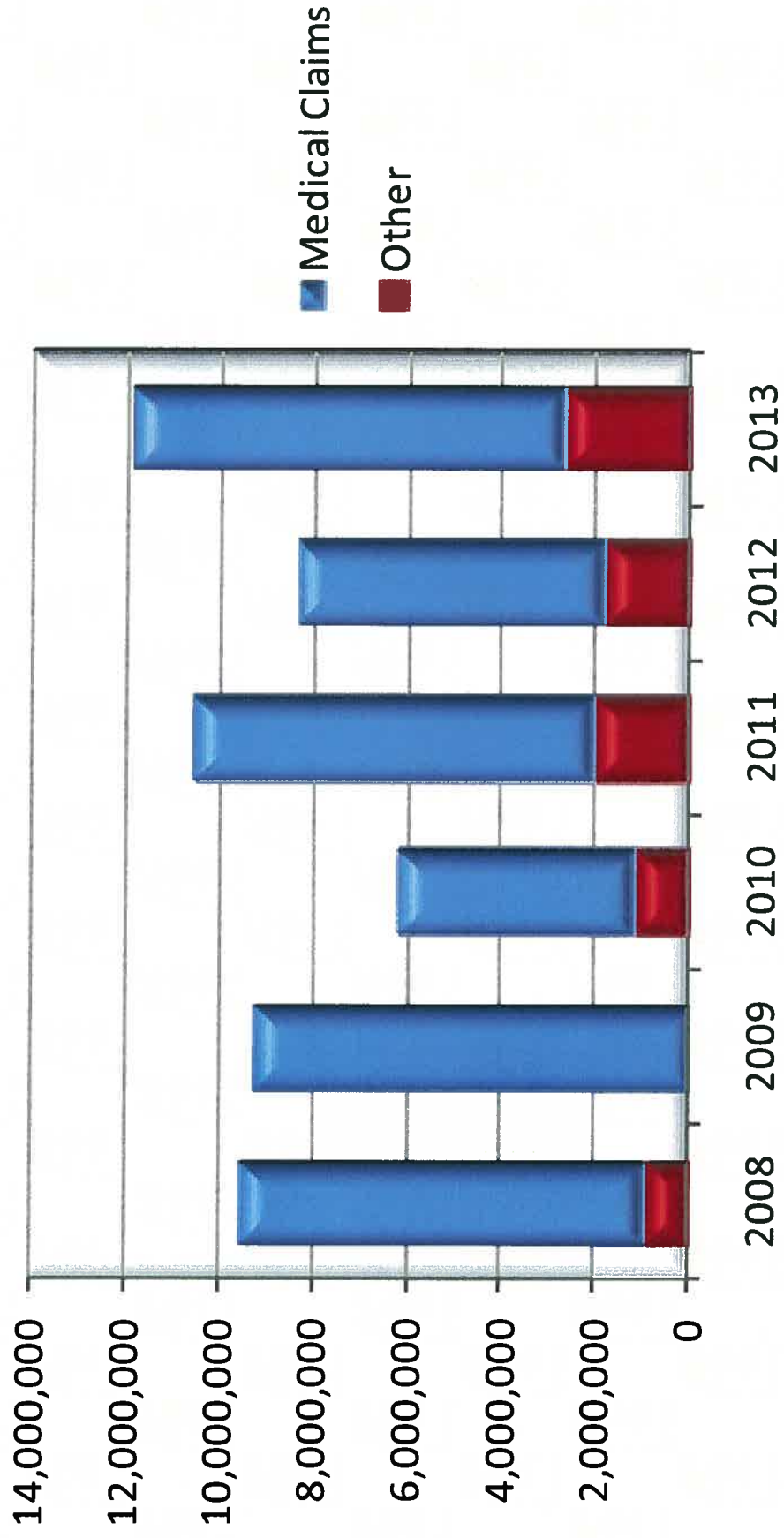




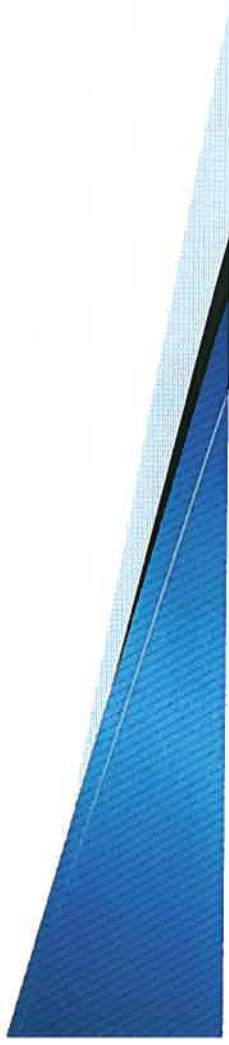
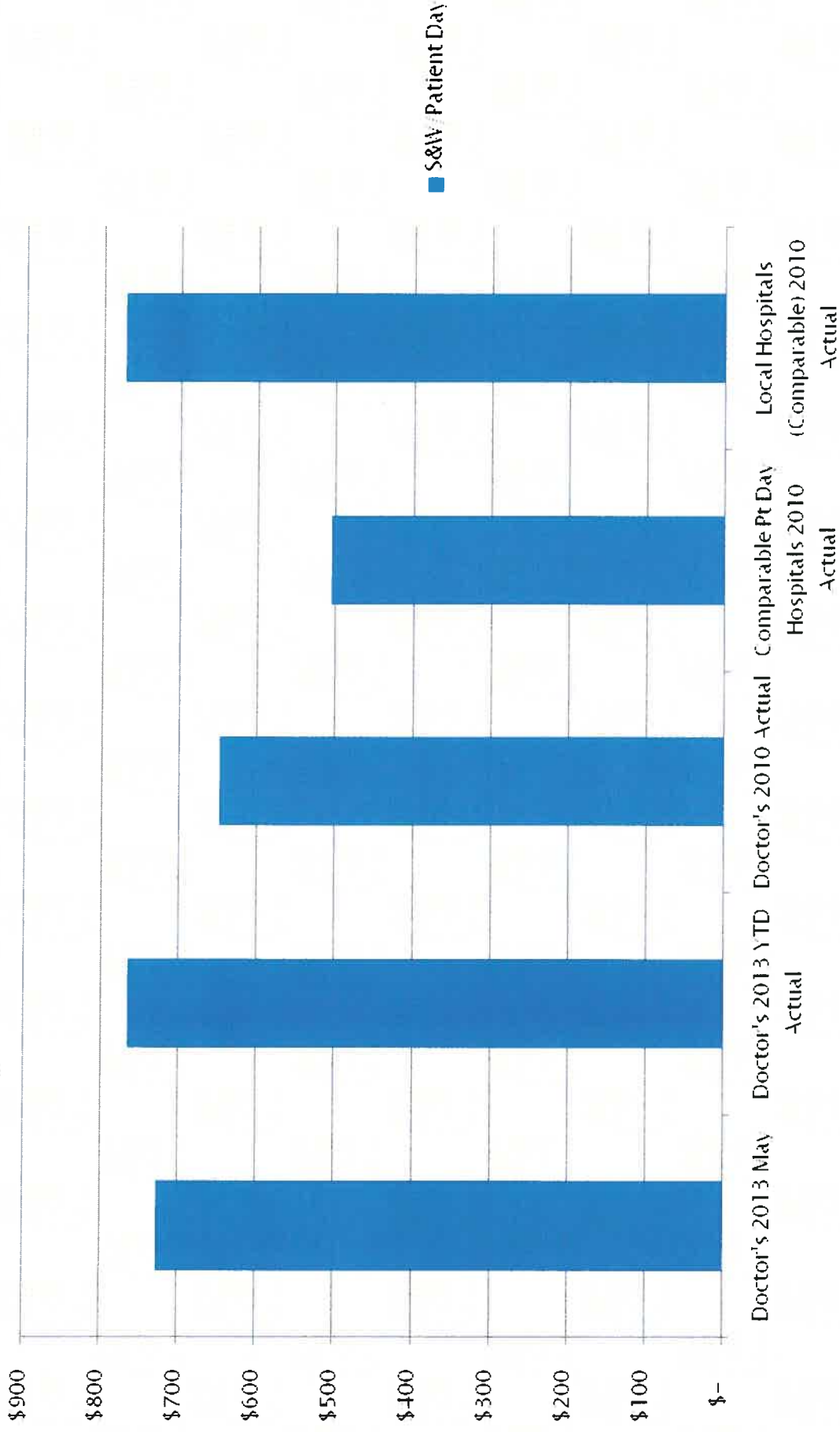
# Cash Collections



# MEDICAL BENEFITS

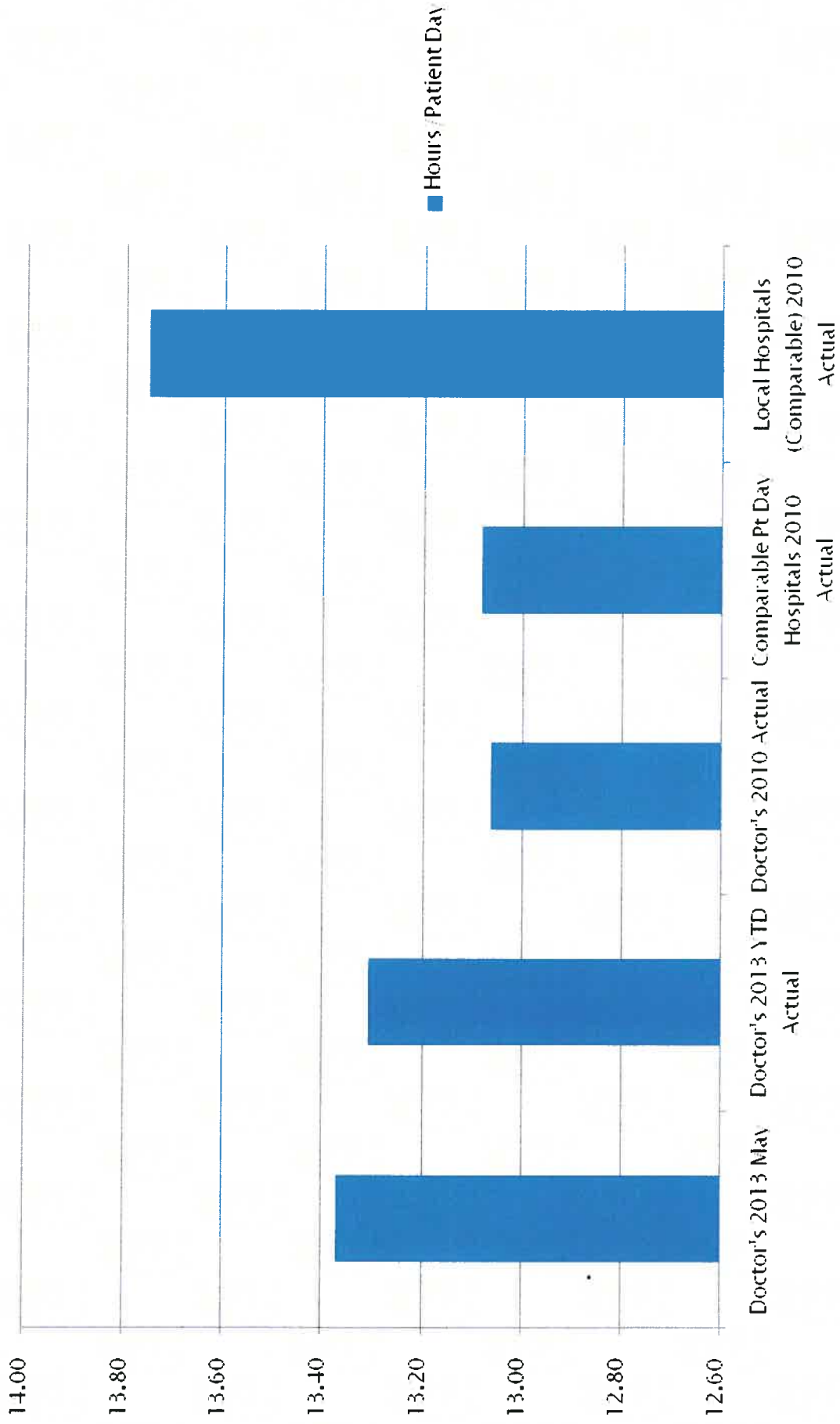


# Salaries & Wages / Patient Day ICU, Telemetry, Med/Surg

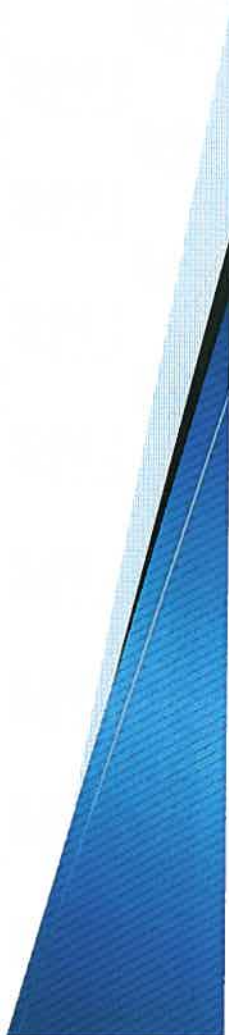
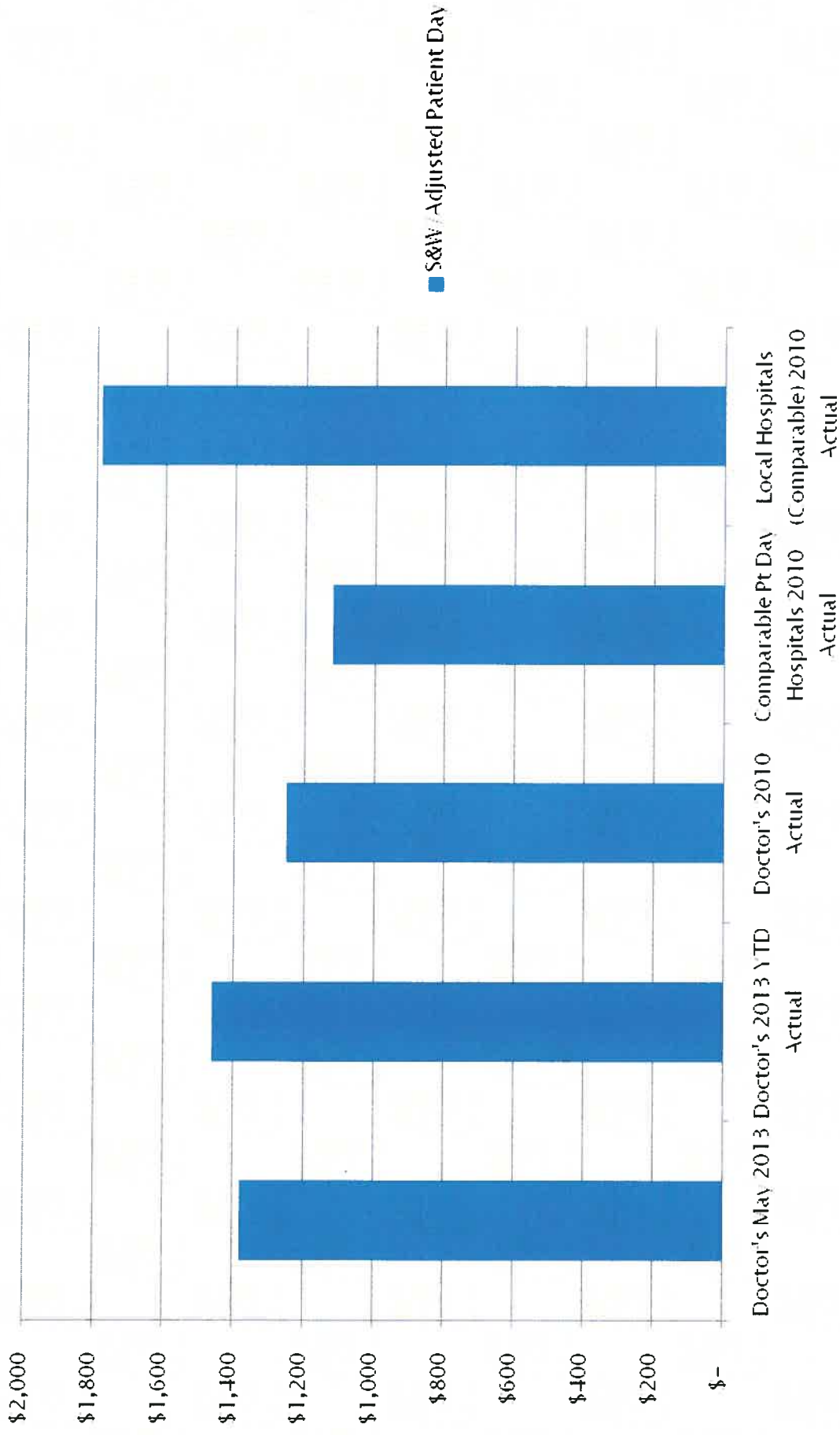




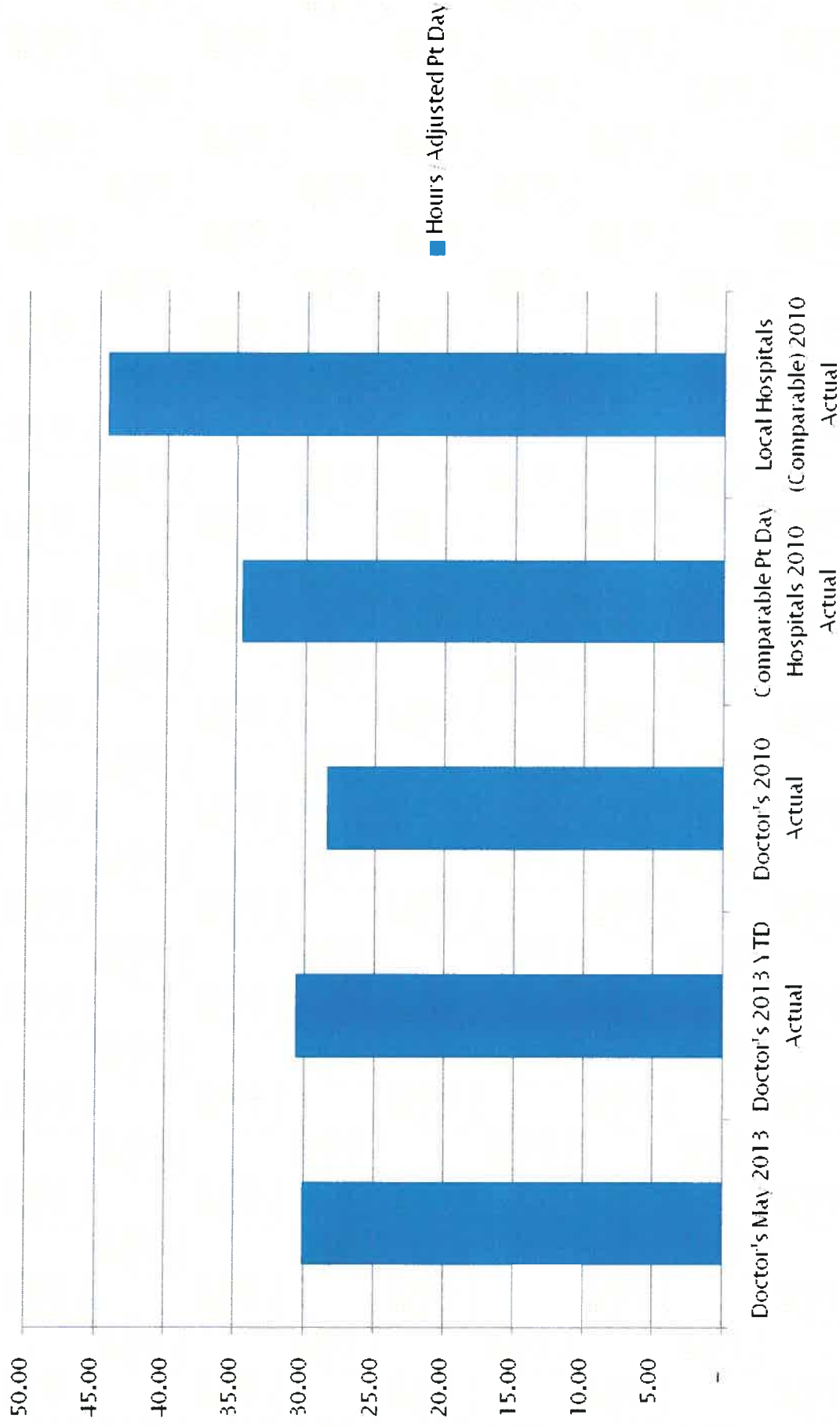
# Productive Hours/Patient Day ICU, Telemetry, Med/Surg



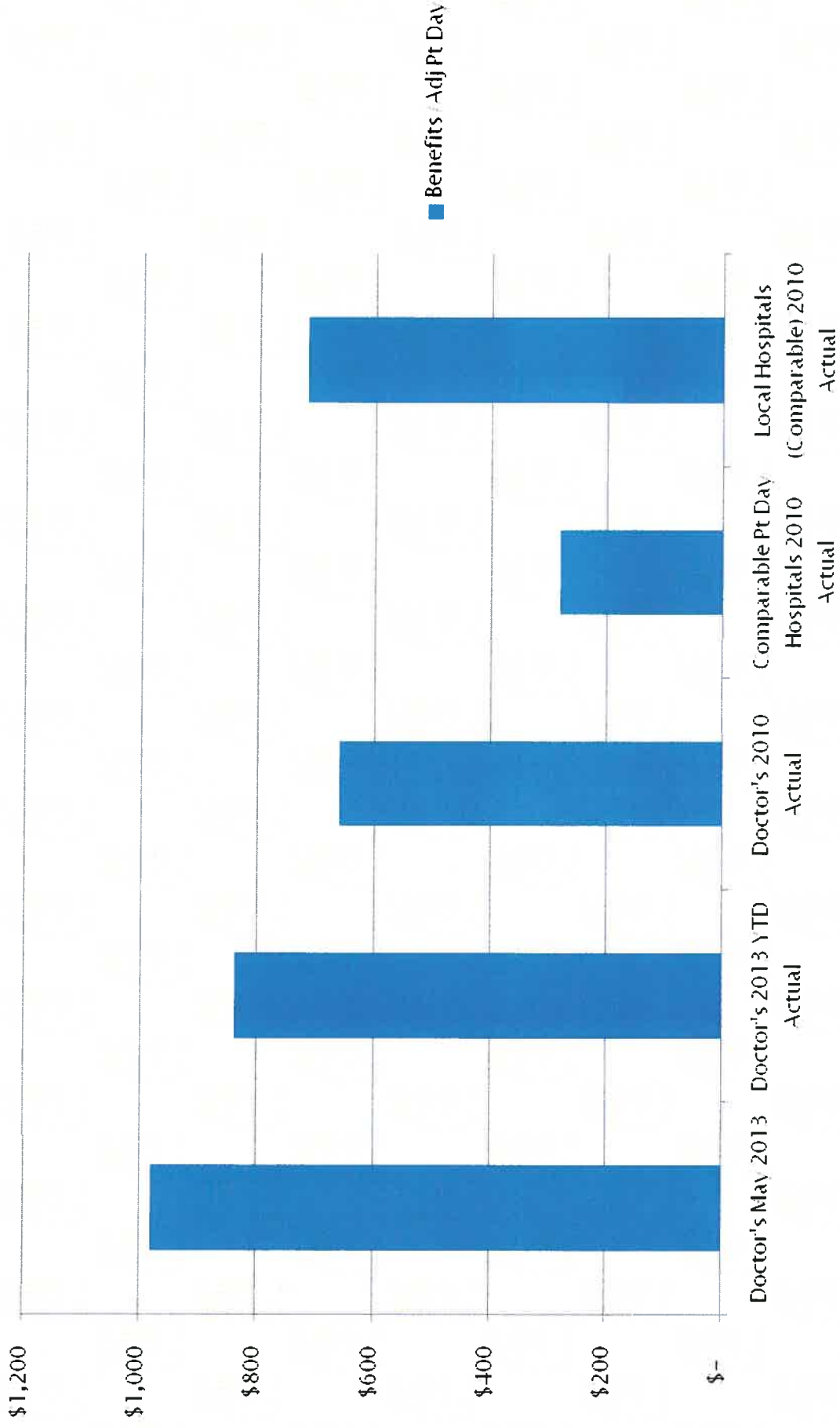
# Salaries & Wages / Adjusted Patient Day



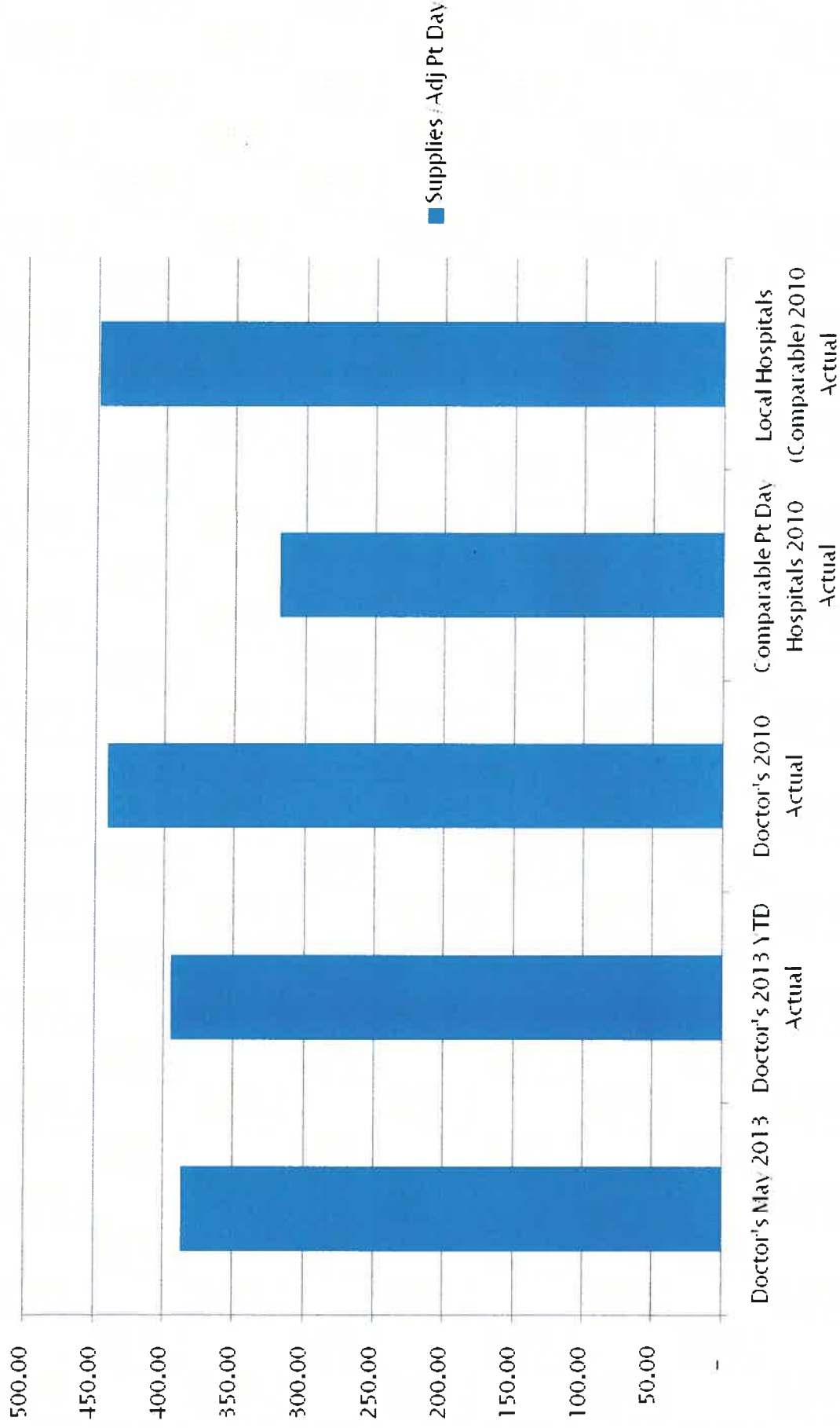
# Productive Hours / Adjusted Patient Day



# Employee Benefits / Adjusted Patient Day



# Supplies / Adjusted Patient Day

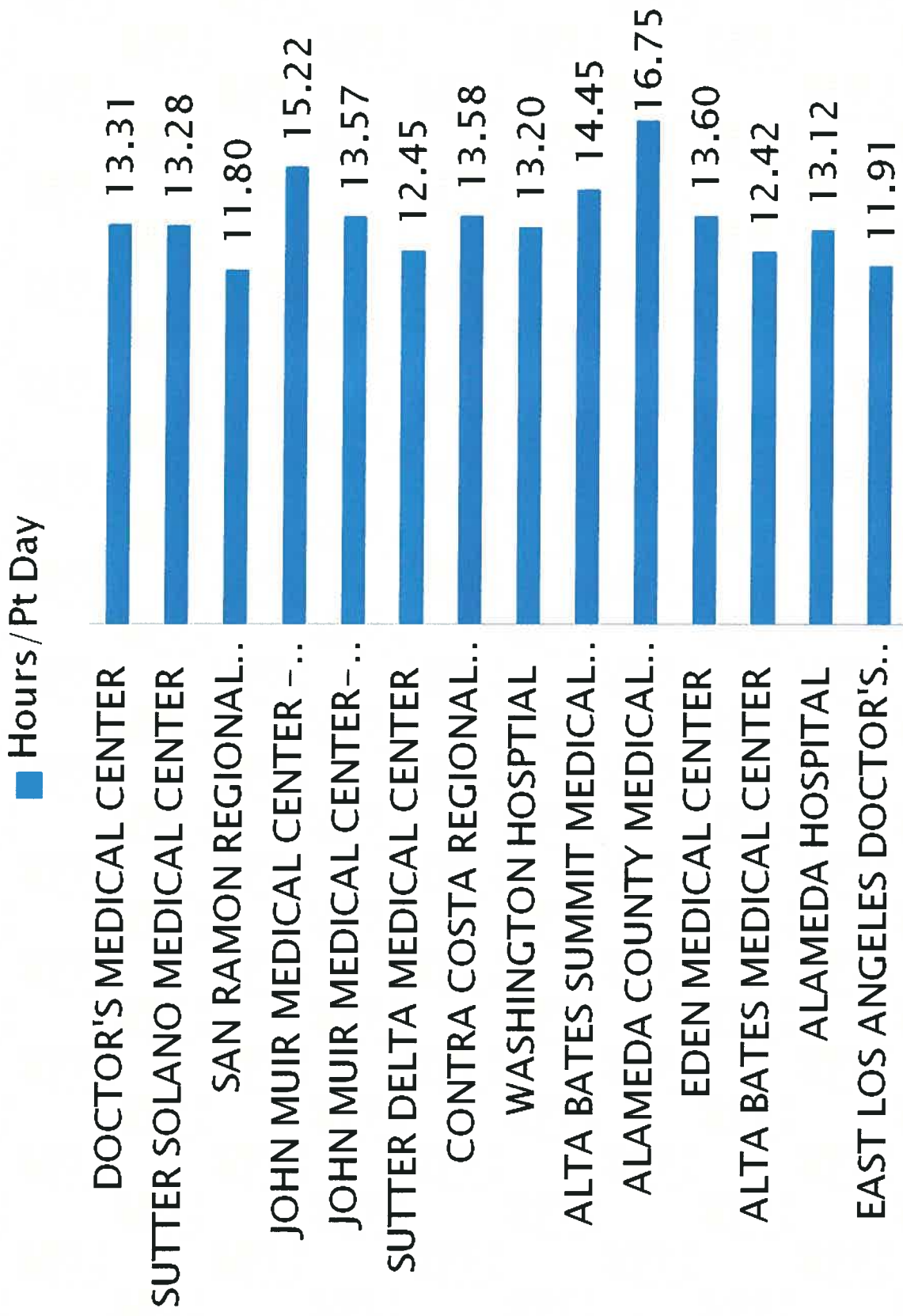


# OSHPD Data Tables

Inpatient Hours/Pt Day						
Facility	Salaries and Wages	Patient Days	Hours	S&W/Patient Day	Hours/Patient Day	
Doctor's 2013 May	1,364,847	1,878		25,107 \$	727	13.37
Doctor's 2013 YTD Actual	8,100,929	10,588		140,885 \$	765	13.31
Doctor's 2010 Actual	20,458,469	31,552		412,187 \$	648	13.06
Comparable Pt Day Hospitals 2010 Actual	97,746,093	193,416		2,530,303 \$	505	13.08
Local Hospitals (Comparable) 2010 Actual	355,975,858	463,052		6,362,783 \$	769	13.74
<b>Total Salaries and Wages</b>						
Facility	Salaries and Wages	Adjusted Patient Days	Hours	S&W/Adjusted Patient Day	Hours/Adjusted Pt Day	
Doctor's 2013 May (2013 Dollars)	4,523,932	3,282		98,746 \$	1,378	30.09
Doctor's 2013 YTD Actual (2013 Dollars)	24,487,024	16,787		513,021 \$	1,459	30.56
Doctor's 2010 Actual	58,412,779	46,768		1,329,919 \$	1,249	28.44
Comparable Pt Day Hospitals 2010 Actual	372,988,869	333,535		11,517,702 \$	1,118	34.53
Local Hospitals (Comparable) 2010 Actual	1,051,549,939	589,535		26,095,399 \$	1,784	44.26
<b>Benefits and Supplies</b>						
Facility	Benefits	Supplies	Adjusted Patient Days	Benefits/Adj Pt Day	Supplies/Adj Pt Day	
Doctor's 2013 May (2013 Dollars)	3,215,225	1,268,703		3,282	980	387
Doctor's 2013 YTD Actual (2013 Dollars)	14,057,660	6,629,302		16,787	837	395
Doctor's 2010 Actual	30,878,785	20,621,656		46,768	660	441
Comparable Pt Day Hospitals 2010 Actual	153,707,306	174,572,790		548,342	280	318
Local Hospitals (Comparable) 2010 Actual	778,888,688	486,104,438		1,085,304	718	448



# Local Hospital Hours/Patient Day ICU/Tele/Med Surg



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

May 31, 2013  
(Amounts in Thousands)

	CURRENT PERIOD			CURRENT YTD			PRIOR YEAR	
	ACTUAL	BUDGET	VAR %	ACTUAL	BUDGET	VAR %	ACTUAL	ACTUAL
<b>OPERATING REVENUE</b>								
Net Patient Service Revenue	9,600	10,808	(1,208)	49,150	52,701	(3,551)	49,612	49,612
Other Revenue	96	130	(34)	480	649	(169)	1,500	1,500
<b>Total Operating Revenue</b>	<b>9,696</b>	<b>10,937</b>	<b>(1,241)</b>	<b>49,630</b>	<b>53,350</b>	<b>(3,720)</b>	<b>51,112</b>	<b>51,112</b>
<b>OPERATING EXPENSES</b>								
Salaries & Wages	4,524	5,344	820	24,487	26,228	1,741	26,453	26,453
Employee Benefits	3,215	2,603	(612)	14,057	13,624	(434)	13,054	13,054
Professional Fees	1,099	899	(200)	5,092	4,833	(259)	4,852	4,852
Supplies	1,269	1,333	64	6,629	6,722	93	7,241	7,241
Purchased Services	856	848	(8)	4,260	4,416	156	3,862	3,862
Rentals & Leases	275	281	6	1,373	1,455	82	1,208	1,208
Depreciation & Amortization	409	458	49	2,066	2,210	144	1,959	1,959
Other Operating Expenses	387	397	10	1,701	1,898	197	1,537	1,537
<b>Total Operating Expenses</b>	<b>12,034</b>	<b>12,164</b>	<b>130</b>	<b>59,665</b>	<b>61,385</b>	<b>1,720</b>	<b>60,166</b>	<b>60,166</b>
<b>Operating Profit / Loss</b>	<b>(2,338)</b>	<b>(1,226)</b>	<b>(1,112)</b>	<b>(10,035)</b>	<b>(8,035)</b>	<b>(2,000)</b>	<b>(9,054)</b>	<b>(9,054)</b>
<b>NON-OPERATING REVENUES (EXPENSES)</b>								
Other Non-Operating Revenue	-	-	-	-	-	-	1,200	1,200
District Tax Revenue	1,123	1,138	(13)	5,615	5,680	(65)	3,540	3,540
Investment Income	13	8	5	109	22	87	22	22
Less: Interest Expense	(402)	(396)	(6)	(1,987)	(1,986)	(1)	(1,375)	(1,375)
<b>Total Net Non-Operating</b>	<b>734</b>	<b>748</b>	<b>(14)</b>	<b>3,737</b>	<b>3,716</b>	<b>21</b>	<b>3,387</b>	<b>3,387</b>
<b>Income Profit (Loss)</b>	<b>(1,604)</b>	<b>(479)</b>	<b>(1,125)</b>	<b>(6,298)</b>	<b>(4,319)</b>	<b>(1,979)</b>	<b>(5,667)</b>	<b>(5,667)</b>
<b>Profitability Ratios:</b>								
Operating Margin %	-24.1%	-11.2%	89.6%	-20.2%	-15.1%	53.8%	-17.7%	-17.7%
Profit Margin %	-16.5%	-4.4%	-12.2%	-12.7%	-8.1%	-4.6%	-11.1%	-11.1%





WEST CONTRA COSTA HEALTHCARE DISTRICT  
DOCTORS MEDICAL CENTER  
INCOME STATEMENT

May 31, 2013  
(Amounts in Thousands)

	CURRENT PERIOD			PRIOR YEAR							
	ACTUAL	BUDGET	VAR	ACTUAL	BUDGET	ACTUAL					
	3,172	3,015	157	5.2%	3,041	ED Outpatient Visits	16,101	14,928	1,173	7.9%	15,181
	2,928	3,289	(361)	-11.0%	3,130	Ancillary Outpatient Visits	14,419	16,093	(1,674)	-10.4%	16,157
	83	96	(13)	-13.5%	86	Outpatient Surgeries	404	457	(53)	-11.6%	462
	<b>6,183</b>	<b>6,400</b>	<b>(217)</b>	<b>-3.4%</b>	<b>6,257</b>	<b>Total Outpatient Visits</b>	<b>30,924</b>	<b>31,478</b>	<b>(554)</b>	<b>-1.8%</b>	<b>31,800</b>
	391	487	(96)	-19.7%	493	Emergency Room Admits	2,213	2,303	(90)	-3.9%	2,345
	12.3%	16.1%			16.2%	% of Total E/R Visits	13.7%	15.4%			15.4%
	89.9%	89.5%			90.6%	% of Acute Admissions	91.6%	89.5%			90.8%
	562	600	36	6.3%	628	Worked FTE	592	623	31	4.9%	625
	656	675	19	2.8%	714	Paid FTE	694	718	24	3.3%	721
	5.31	4.83	(0.49)	-10.1%	5.21	Worked FTE / AADC	5.33	5.06	(0.27)	-5.4%	5.22
	6.20	5.43	(0.77)	-14.2%	5.92	Paid FTE / AADC	6.25	5.83	(0.42)	-7.2%	6.02
	2,925	2,803	122	4.4%	2,806	Net Patient Revenue / APD	2,928	2,832	96	3.4%	2,725
	16,608	15,155	1,453	9.6%	14,802	I/P Charges / Patient Days	16,322	15,625	697	4.5%	14,961
	3,772	3,413	359	10.5%	3,096	O/P Charges / Visit	3,272	3,374	(102)	-3.0%	3,018
	1,378	1,386	8	0.5%	1,514	Salary Expense / APD	1,459	1,409	(49)	-3.5%	1,453
	4.77	4.92	0.15	3.0%	5.02	Medicare LOS - Discharged Based	4.70	5.17	0.47	9.1%	4.80
	1.49	1.55	(0.06)	-4.0%	1.49	Medicare CMI	1.57	1.55	0.02	1.1%	1.53
	3.21	3.17	0.04	1.1%	3.37	Medicare CMI Adjusted LOS	2.99	3.33	(0.34)	-10.2%	3.13
	4.29	4.52	0.23	5.2%	4.54	Total LOS - Discharged Based	4.41	4.65	0.25	5.3%	4.62
	1.46	1.42	0.04	3.2%	1.42	Total CMI	1.51	1.46	0.04	2.9%	1.46
	2.94	3.19	(0.26)	-8.1%	3.20	Total CMI Adjusted LOS	2.93	3.18	(0.25)	-8.0%	3.16



## May 2013 Executive Report

Doctors Medical Center had a Net Loss of \$1,604,000 for the month of May. As a result, net income was worse than budget by \$1,125,000. The following are the factors leading to the Net Income variance:

<b>Net Patient Revenue Factors</b>	<b>Variance</b>
Managed Care, Commercial, PPO	(\$821,000)
Medicare, Medicare HMO	(\$1,002,000)
Medi-Cal, Medi-Cal HMO	(\$219,000)
AB 915 Funds	\$803,000
<b>Expenses</b>	
Salaries & Benefits	\$208,000
Professional Fees	(\$200,000)
Supplies	\$64,000

Net patient revenue was under budget by \$1,208,000 for May. Inpatient gross charges were under budget by 14.8% with patient days and discharges at 22.2% and 18.0% under budget respectively. While total outpatient volume missed the target by 3.4%, ED outpatient visits continue to beat expectations by 5.2% in May. Surgeries were under budget by 13.5% and ancillary volumes were 11.0% under budget.

Managed Care inpatient volume was 37% under budget, representing \$959,000 in patient revenue. Regular Medicare and Medicare HMO combined was \$1,151,000 or 20% under budget. Regular Medicare patient days and discharges were under budget by 21.2% and 18.1% respectively. Additionally, Medicare reimbursement was reduced by 2% or \$74,000 due to mandatory sequestration.

Salaries and Benefits combined were under budget by \$208,000. Salaries were favorable by \$820,000 mainly due to continued flexing in all departments. Benefits were \$612,000 over budget due to consistently higher than budgeted health insurance costs.

Professional Fees were \$200,000 over budget in May. The contract rate used in the budget along with higher than anticipated volume for the hospitalists' created the \$200,000 variance.

Supplies were under budget due to the underutilization of pacemakers and implants offset by higher pharmaceutical costs.



**CAPITAL EXPENSES REQUEST:  
FIRE DETECTION AND FUEL TANK  
STORAGE REMOVAL**

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**TAB 8**

**WEST CONTRA COSTA HEALTHCARE DISTRICT  
DOCTORS MEDICAL CENTER  
GOVERNING BODY  
BOARDS OF DIRECTORS  
CAPITAL ITEM REQUEST**

**TO:** GOVERNING BODY  
BOARD OF F DIRECTORS

**FROM:** Tony Leon  
Director Plant Operations & Maintenance

**By:** James Boatman

**DATE:** June 26, 2013

**SUBJECT:** Fire Alarm System Project

---

**SPECIFIC REQUEST(S) OR RECOMMENDATION(S) AND BACKGROUND WITH JUSTIFICATION**

**REQUEST / RECOMMENDATION(S):** Recommend the Board approve and authorize the Chief Financial Officer to execute on behalf of DMC approval of the contract for Phase I of the fire alarm system upgrade,

**FISCAL IMPACT:** \$227,089. This project is to be completed in Six (6) Phases. This is Phase One (1) of Six (6). An overall cost of Phase One is an RFP from Siemens (Manufacturer) of the current Fire Alarm System, \$ 227,089. The total cost of the six Phases is anticipated to be \$886,080.

**STRATEGIC IMPACT:** The remaining Phases are to be completed within an approximate 12 month time frame. Project is driven by the Contra Costa County Fire Department. This process of repair/upgrade to our current fire alarm system will meet all Local, State and Federal compliance standards.

**REQUEST / RECOMMENDATION REASON, BACKGROUND AND JUSTIFICATION:** Project is driven by the Contra Costa County Fire Department. This process will repair/upgrade to our current fire alarm system to meet all Local, State and Federal compliance standards. In addition upon completion of this project, it will support the facility for an extended period of time (10 plus years) and to adhere to the overall Life Safety Management Plan for Doctor's Medical Center. The system will be Inspected, Tested and Monitored, to maintain all necessary compliance standards per National Fire Protection Agency (NFPA), The Joint Commission (YJC), California Department of Health Services (CDHS) and the Center for Medicare Medicaid Services (CMS). **This contract is the result of multiple bids for the project as outlined and the submitted bid is the least expensive.**

Presentation Attachments: Yes X No     

Requesting Signature: James Boatman Date: 6/26/2013

---

SIGNATURE(S):

Action of Board on \_\_\_ / \_\_\_ / \_\_\_ Approved as Recommended      Other     

Vote of Board Members:

     Unanimous (Absent     )  
Ayes:      Noes:       
Absent:      Abstain:     

<p>I HEREBY ATTEST THAT THIS IS A TRUE AND CORRECT COPY OF AN ACTION TAKEN AND ENTERED ON THE MINUTES OF THE BOARD ON THE DATE SHOWN.</p>
---

Contact Person: James Boatman

Attested by: \_\_\_\_\_  
Eric Zell, Chair, Governing Body  
Board of Directors

Cc: Accounts Payable, Contractor, CFO/Controller, Requestor

---

2013-6-19

**Doctor's Medical Center**

**Fire Alarm Project; Explanation of the overall process, will take place for the repair/upgrade of the Fire Alarm System. This project will take place over an approximate time period of the remainder of 2013 and all of 2014.**

**Overall basics of Phases of the project include the following;**

**Phase One;**

**Panel upgrade and replacement of non supported devices.**

**Phase Two;**

**Replacement of old devices with new and trade out of the middle aged, soon to be non supported devices, on the Ground Floor.**

**Phase Three;**

**Replacement of the old devices with new on the 1<sup>st</sup> Floor, South West Penthouse air handling equipment.**

**Phase Four;**

**Replacement of the old devices with new devices on the 2 Floor.**

**Phase Five;**

**Replacement of old devices with new devices on Floors 3, 4, 5.**

**Phase Six;**

**Replacement of old devices with the new devices on Floors 6, 7, Penthouse(s) and equipment.**

# SIEMENS Industry Inc.

25821 Industrial Blvd suite 300, Hayward, CA 94545 phone (510)731-3089 fax (866)294-3172

**TO: DOCTOR'S MEDICAL CENTER / SODEXO  
SAN PABLO, CA  
TONY LEON CELL 951-818-4198  
OFFICE 510-970-5095**

**PROJECT:  
PHASE 1  
FIRE ALARM SYSTEM MXL TO XLS CONVERSION  
AND DESIGN**

**PROPOSAL NUMBER: KW6713      DATE: 6/7/13      PROJECT NUMBER:      PAGE NUMBER: 1 OF 2**

WE ARE PLEASED TO SUBMIT OUR QUOTATION AS FOLLOWS:

## BILL OF MATERIALS

<u>QTY</u>	<u>UNIT</u>	<u>PART NO.</u>	<u>DESCRIPTION</u>
2		XLS	INTELLIGENT FIRE ALARM CONTROL PANEL
2		CAB- BATT	BATTERY ENCLOSURE
2		SSD-C	REMOTE ENUNCIATOR
2		PAL-1	REMOTE PRINTER
74		HMS-S	ADDRESSABLE PULL STATIONS
54		HTRI	ADDRESSABLE MODULES
221		HFP-11	ADDRESSABLE SMOKE DETECTORS
6		HFPT-11	ADDRESSABLE HEAT DETECTOR
227		ADPT-DB	ADAPTOR BASES
39		AD SERIES	DUCT SMOKE DETECTORS
1		LOT	TECH TO INVESTIGATE EXISTING FIELD WIRING
1		LOT	TECH TO CHANGE OUT DEVICES, PANELS, TEST & INSPECT
1		LOT	PROGRAMMING
1		LOT	DESIGN OF FIRE DETECTION ADDITIONS FOR ALL 6 PHASES
1		LOT	ENGINEERED DRAWINGS AND SUBMITTALS FOR 6 PHASES
1		LOT	SUBMITTAL TO OSHPD AND CONTRA COSTA FIRE FOR APPROVAL (MAXIMUM OF 2 BACK CHECKS)

## SCOPE OF WORK-DESIGN

DESIGN, PROVIDE CAD WORK AND DRAFTING FOR THE FIRE ALARM ADDITIONS REQUIRED BY THE CONTRACOSTA FIRE DEPT. SIEMENS WILL SHOW ALL ADDITIONAL DEVICES CONNECTING TO THE NEWSIEMENS XLS FIRE ALARM SYSTEM.

SIEMENS WILL SHOW ALL PHASES DESIGNED AS A MANUEL/ AUTOMATIC FIRE ALARM SYSTEM IN ONE SUBMITTAL PACKAGE

SIEMENS WILL PROVIDE ENGINEERED SHOP DRAWINGS, SUBMITTALS AND SUBMIT TO THELOCAL FIRE DEPT AND STATE AGENCY, OSHPD. SIEMENS WILL PROVIDE THE REQUIRED ENGINEER'S WET STAMP ON THE DRAWINGS BEFORE SUBMITTING TO OSHPD. SIEMENS WILL RETAIN JRA ENGINEERING AND WORK IN CONJUNCTION WITH THROUGHOUT THE PROCESS. THIS PROPOSAL INCLUDES 2 BACK CHECKS, COMMENT RESPONSES AND RESUBMITTALS.

THREE BACK CHECKS OR MORE WILL BE PERFORMED ON A TIME AND MATERIAL BASIS IF REQUIRED.

**SCOPE OF WORK- INSTALLATION**

UNDER THIS SCOPE SIEMENS IS PROVIDING THE FIRST PHASE INSTALLATION OF 2 XLS FIRE ALARM PANEL CONVERSIONS. SIEMENS WILL PROVIDE THE INSTALLATION OF THE NEW H SERIES DEVICES TO REPLACE THE EXISTING X SERIES DEVICES. FIRST PHASE PRICE IS BASED ON MOUNTING NEW DEVICES IN THE SAME LOCATION USING THE EXISTING WIRE.

ONCE SIEMENS COMPLETES PHASE 1, THE START OF PHASE 2 WILL COMMENCE UNDER A SEPARATE ORDER. SIEMENS WILL THEN PERFORM ALL OTHER PHASES AS DESIGNED.

THIS PROPOSAL IS BASED ON NORMAL HOURS.  
FIRE WATCH IS PROVIDED BY DOCTOR'S MEDICAL CENTER.  
THIS PROPOSAL DOES NOT INCLUDE NEW 120 VOLT LOAD READINGS.  
PROPOSAL DOES NOT INCLUDE SPRINKLER WORK.  
ABATEMENT WORK IS NOT INCLUDED.  
NEW FIELD WIRING IS NOT INCLUDED IN THIS PRICE.  
HORNS AND STROBES WILL BE UNDER A SEPARATE ORDER AND ARE NOT INCLUDED IN THIS PRICE  
INFECTIOUS CONTROL BARRIERS ARE NOT INCLUDED IN THIS PRICE FOR PHASE ONE AND WILL BE SUPPLIED ON A CASE BY CASE BASIS DEPENDING ON THE ACTUAL NEED AND REQUIREMENT FOR THAT SPECIFIC AREA OF THE HOSPITAL.

**CLARIFICATIONS**

UNLESS NOTED ABOVE, THIS PROPOSAL DOES NOT INCLUDE PERMITS FROM THE CITY OF SAN PABLO, WATERFLOW AND TAMPER SWITCHES, 120 VOLT RELAYS, 120 VOLT DEVICES, FIRE SMOKE DAMPERS AND ASSOCIATED SMOKE CONTROL SYSTEMS. FLOOR PLANS OF THE FIRE ALARM MUST BE PROVIDED ON AUTOCAD DISC OR SENT VIA EMAIL. PROPOSAL IS LIMITED TO THE EQUIPMENT AND SERVICES LISTED HEREIN AND ANY VARIATION SHALL BE SUBJECT TO ASSOCIATED COST. ORDER ACCEPTANCE SHALL BE CONTINGENT UPON CUSTOMER PASSING OUR CREDIT APPROVAL PROCESS. A DEPOSIT MAY BE REQUIRED BEFORE COMMENCEMENT OF WORK. PAYMENT TERMS ARE NET 30 DAYS AFTER INVOICING. IF CUSTOMER FAILS TO MAKE PAYMENTS IN ACCORDANCE TO THE NET 30 TERMS,

Siemens proposes to furnish the above, subject to the terms and conditions appearing on the face of this proposal for the sum of

**\$227,089.00**

Payment terms are NET 30 Days of invoicing. This proposal does not include installation, installation materials or any Labor or services unless specified above. Any alteration or deviation from the above involving additional costs will be performed only following acceptance by Siemens of Purchaser's written order and will become an additional cost to Purchaser at Siemens then current charges therefore. This proposal may be withdrawn by Siemens if not accepted within 30 days from the date shown above.

This proposal is submitted by: \_\_\_\_\_ KEVIN WAXMAN SALES REP

Acceptance of Proposal - The prices, specifications, terms and conditions contained herein are hereby accepted. Siemens is authorized to do work as specified. Payment will be made as set forth above.

Accepted By (please print) \_\_\_\_\_ Title: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_ P.O. Number: \_\_\_\_\_





**WEST CONTRA COSTA HEALTHCARE DISTRICT  
DOCTORS MEDICAL CENTER  
GOVERNING BODY  
BOARD OF DIRECTORS  
CONTRACT RECOMMENDATION FORM**

**TO:** GOVERNING BODY  
BOARD OF DIRECTORS

**FROM:** James Boatman

**DATE:** June 26, 2013

**SUBJECT:** Removal of Underground Gas Tank

---

**REQUEST / RECOMMENDATION(S):** Recommend to the District Board to approve and authorize the Chief Financial Officer to execute on behalf of DMC, approval of the contract for the removal of the underground gas tank.

**FISCAL IMPACT:** \$52,430.

**STRATEGIC IMPACT:** None

**REQUEST / RECOMMENDATION REASON, BACKGROUND AND JUSTIFICATION:** The removal of the underground gas tank is mandated by Contra Costa County will no longer permit the use of the tank and has requested its removal. This contract is the result of multiple bids for the project as outlined and the submitted bid is the least expensive.

Presentation Attachments: Yes  No

Requesting Signature: \_\_\_\_\_

Date: 6/26/13

---

SIGNATURE(S):

Action of Board on \_\_\_ / \_\_\_ / \_\_\_ Approved as Recommended \_\_\_\_\_ Other \_\_\_\_\_

Vote of Board Members:

\_\_\_ Unanimous (Absent \_\_\_)

Ayes: \_\_\_ Noes: \_\_\_

Absent: \_\_\_ Abstain: \_\_\_

I HEREBY ATTEST THAT THIS IS A TRUE AND CORRECT COPY OF AN ACTION TAKEN AND ENTERED ON THE MINUTES OF THE BOARD ON THE DATE SHOWN.
--

Contact Person: James Boatman

Attested by: \_\_\_\_\_

Eric Zell, Chair, Governing Body  
Board of Directors

Cc:  
Accounts Payable  
Contractor  
CFO/Controller  
Requestor

7,130  
**itek Contractors Inc.**  
Engineering & Building Contractor



**PROPOSAL**

**Doctors Medical Center**  
Attn: Kenneth Rowe  
Ph: (510) 970-5006  
Fax: (510) 970-5738

**Date:** 06/06/13  
**Project:** Doctors Medical Center – UST Removal  
2000 Vale Road  
San Pablo, CA 94806  
**Architect:** DMC Engineering Design Build  
**Plan Date:** 03/16/13 site meeting  
**Addendum:** None

**Specification Section:** 026500 "Underground Storage Tank Removal Management"

**Scope of Work:**

1. Provide project management to remove and dispose of the 6000 gallon underground fuel storage tank.
2. Provide project technical work plan including health and safety, procedures, protocols, material and analysis.
3. Provide labor and equipment necessary to perform all Selective Demolition of one gasoline pump
4. Lead-time: Allow 5 days for scheduling of manpower and equipment, after receipt of written notification.
5. Duration: Allow (17) days to complete our scope of work after business hours between 7:30am to 3:00pm. We have allowed for (1) mobilizations on this project and if more is required add \$ **800.00** for each additional trip.

**Exclusions:**

1. Removal and disposal unforeseen underground lines not included as part of this scope or new excavation.
2. Temporary barriers, dust proof barriers, maintenance, repairs or removal upon completion of each phase.
3. New landscaping, irrigation trenching, planting or trees, new flat work or sidewalks and curbs.
4. Excavation for footings or structures not part of this scope or on adjacent properties.
5. Local CCC permits not included in the UST pulled by GGTR (UST permits included).

<b>Project Management Fees</b>	<b>12,750.00</b>
<b>Project Technical Work Plan</b>	<b>9,600.00</b>
<b>Fuel Pump Removal</b>	<b>\$ 1,200.00</b>

**Total Bid include Hauling & Management:-----\$ 23,550.00**

**Voluntary Alternate:**

1. Add \$ **28,880.00** direct costs from GGTR for the UST removal, disposal and remediation including excavation and disposal, permits, equipment and hauling. Note: \$**6,000.00** required at start to GGTR at start up.

*As a licensed Contractor in the State of California, itek will adhere to all Local, State, and Federal regulations permissible under this proposed contract.*

Should you have further queries please do not hesitate to contact Mr. Charles Clay on Ph.936-900-8121 at your earliest convenience.

ITEK Contractors will be responsible for the provision of:

- a. Management
- b. Layout of demolition work
- c. Maintaining records of all material disposal (Note: GGTR is responsible for offsite storage)

---

2085 E Bayshore Road, #50900 Palo Alto, CA 94303  
Phone/Voicemail: (650) 384-1389 Fax (650) 618-2021 Sales Direct: (916) 616-3453  
CA License #871757  
ULTIMATE QUALITY IN WORKMANSHIP

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**itek Contractors Inc.**  
**Engineering & Building Contractor**

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**QUOTATION ACCEPTANCE:**

This quotation, unless otherwise noted, will remain in effect for 30 days. Upon acceptance by the Buyer and credit approval by Itek Contractors Inc, this document shall constitute a binding contract between buyer and seller. In the event the Buyer elects to issue his/her own purchase order/contract based on this quotation, the document shall be incorporated as part of the said purchase order or contract. As part of this agreement, the owner agrees to release invoices for payment within 30 days after Itek Contractors Inc has completed their scope of work and provides the necessary releases required by the owner.

The Undersigned hereby accepts this proposal and states that he agrees with the information provided.

Accepted:

itek Contractors Inc.

By: \_\_\_\_\_ Date: \_\_\_\_\_ By: Robert Cofran Date: 06/06/13  
Robert Cofran, Estimator- Ph: (916) 616-3453 fax: (866) 662-6771

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CA License #871757  
ULTIMATE QUALITY IN WORKMANSHIP

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May 3, 2013

Proposal # 8445

Francis Kolo  
ITK Contractors Inc.  
Post Office Box 50900  
Palo Alto, California 94303

**RE: UNDERGROUND STORAGE TANK LOCATED AT  
2000 VALE RD, SAN PABLO, CALIFORNIA**

Dear Mr. Kolo:

Thank you for the opportunity to bid on the removal of one underground petroleum fuel tank located at 2000 Vale Rd, San Pablo, California. I would like to submit this proposal for your consideration.

Golden Gate Tank Removal, Inc. is a Licensed "A" General Engineering Contractor, Licensed Concrete Contractor, Licensed Hazardous Substance Removal and Remedial Actions Contractor. Our California contractor's license number is 616521. Golden Gate Tank Removal, Inc. carries Worker's Compensation Insurance and \$4 million dollars of Liability and Pollution Insurance and Professional Errors and Omission Insurance. Insurance certificates can be provided upon request.

Here is our proposal for your review. Please sign and date one copy and return it to my attention.

**If you have any questions please call me at (415) 512-1555**

Sincerely,

**Tim Hallen**

Digitally signed by Tim Hallen  
DN: cn=Tim Hallen, o=Golden Gate  
Tank Removal, Inc, ou=President,  
email=tim@ggtr.com, c=US  
Date: 2013.05.08 15:52:14 -07'00'

Tim Hallen  
Golden Gate Tank Removal, Inc.

**1455 Yosemite Avenue - San Francisco, CA 94124 - Tel.: 415.512.1555 Fax: 415.512.0964  
General Engineering Contractors License No. 616521**

## **SCOPE OF WORK**

Golden Gate Tank Removal, Inc. will perform the following tasks according to all applicable Federal, State and Local regulations.

1. We will notify Underground Services Alert (USA) that a tank removal is planned. USA will contact and instruct the utility companies to come out and mark the major utilities in the area of the tank.
2. Prepare and submit an Underground Storage Tank Modification Application to the Contra Costa County Health Service Agency (CCHSA) and schedule for a site inspection of the tank removal and sampling procedures.
3. Prepare a site specific Health and Safety Plan as required by OSHA 29 CFR 1910.120. A copy of this safety plan will be kept on-site and one copy will be submitted to the Contra Costa County Health Service Agency.
4. Prepare and submit a letter to the State of California, Department of Industrial Relations, Division of Occupational Safety and Health (OSHA) for all excavations in excess of five feet in depth. Safety Order 3203. Golden Gate Tank Removal, Inc. maintains an annual permit for excavations.
5. Submit an application to the Bay Area Air Quality Management District, when required, with at least five days written notice before tank removal begins as per Regulation 8, Rule 40 of the BAAQMD.
6. Notify the San Pablo Fire Department Bureau of Fire Prevention for an on-site inspection to witness proper displacement of combustible and/or flammable vapors and/or the cutting of any tank.
7. Provide safety equipment, traffic cones, high level flags and signs, "ROAD CONSTRUCTION AHEAD" as well as safety personnel to direct vehicle and pedestrian traffic, as needed.
8. Prepare all permits listed in this proposal and schedule all inspections listed in this proposal.
9. Provide a metal safety fence to protect pedestrians from the work area.
10. Break the concrete over the tank area with a jackhammer and dispose of concrete debris off site at a concrete recycler.
11. Locate all underground utilities by hand before excavating.
12. Begin to excavate the soil on top of and around the underground tank.
13. Slope shore to reduce caving during the tank excavation and soil extraction to a maximum depth of 10 feet.
14. The excavated soil will be stockpiled on-site for sampling and use as backfill material.
15. Empty and clean the underground tank using a steam cleaner and have a licensed hazardous waste hauler dispose of the fuel and the rinse water at a State Certified Treatment Facility for recycling. The cost of the disposal of the residual product and rinse will be billed as an additional cost.

## **SCOPE OF WORK**

16. To reduce the possibility of a fire, as needed, we will reduce the oxygen content of the tank by displacing the combustible vapors prior to removal of the tanks. This will be completed by inserting a minimum of 3 pounds of solid carbon dioxide (dry ice) for every 100 gallons of tank volume as required by the San Pablo Fire Department.
17. We will remove exposed vent lines, fill pipes, and cut and plug product lines.
18. Remove one - 6,000 gallon or less underground fuel tank from the excavation and place on the street for inspection by the Contra Costa County Health Service Agency.
19. Upon the approval of the Contra Costa County Health Service Agency, we will load the tank on a licensed hazardous waste truck, have the tank transported to a state certified treatment facility for final cleaning, then transport to a metal recycler or obtain a clean rinse sample from the tank and certify it as non-hazardous. The tank would then be transported to a metal recycler.
20. At the direction of the Contra Costa County Health Service Agency, we will take a total of three samples from the tank excavation. Two sample extractions two feet below the bottom of the former tank and one sample from the tank stockpile as required by The Contra Costa County Health Service Agency observing correct sampling protocol.
21. Provide for state certified laboratory analysis of required samples with a Chain of Custody record.
22. As required by the Contra Costa County Health Service Agency, the sample analysis will be for Total (Extractable) Petroleum Hydrocarbons (TPH), Benzene, Toluene, Ethyl Benzene & Xylene (BTEX).
23. Upon approval of the Contra Costa County Health Service Agency we will backfill the excavation with the stockpiled soil that was stored on-site and with import fill sand and/or base rock and compact.
24. Prepare the area for resurfacing by saw cutting the edges of surrounding surface.
25. The area will be resurfaced to match surrounding with structural concrete and have a minimum compressive strength (f<sub>c</sub>) 2000 psi at 28 days. We will try to match the surrounding concrete color as close as possible.
26. Provide a final report for the Contra Costa County Health Service Agency in written narrative form to establish that procedures and regulations for Contra Costa have been observed during the tank removal process.
27. Provide a final report for the owners of the property in written form that outlines the guidelines, procedures, results, and conclusions of the tank removal activities.
28. The excavation will be surrounded with a temporary metal construction fence placed around the work area.

2000 Vale Rd, San Pablo California  
Proposal & Contract #8445  
May 3, 2013

### **STATE LICENSE BOARD**

Contractors are required by law to be licensed and regulated by the Contractors State License Board. Any questions concerning a contractor may be referred to the Registrar, Contractors State License Board, 9835 Goethe Road Sacramento, California. The mailing address is: P.O. Box 26000, Sacramento, California 95826.

### **SPECIAL CONDITIONS**

Owner is to furnish Golden Gate Tank Removal, Inc. with a one-time California EPA ID Waste Generator Number. GGTR will assist in obtaining this number.

The costs and schedules of this proposal are based on information provided by the owner and the assumption that soil and groundwater contamination has not occurred as a result of an unauthorized release of hydrocarbon products.

### **PRODUCT INSIDE TANKS**

Cost of the removal and disposal of the residual fuel and rinse water in the tank is not included in the price of the contract. The cost of the removal and disposal of these items will be billed at Cost Plus 15% of Cost.

### **ITEMS NOT INCLUDED IN CONTRACT PRICE**

Additional charges may be billed in addition to the stated contract price. If any of the following need to be performed, a change order will be submitted for your approval. The price stated in this proposal does not include the following:

- A. Any remedial action, extra sampling, or tax assessment, which may be required by the Federal, State, or Local agencies.
- B. The relocation or repair of any utilities, sewer lines or cutting of tank, if it becomes necessary.
- C. The removal or replacement of any concrete (other than above tank) that may need to be removed during the tank removal or site restoration process.
- D. The removal of residual product, rain, ground water, gasoline, solvent, oil, sludge or chemicals inside or outside the tank.
- E. Any compaction testing for backfill of engineered shoring during excavation.

### **GENERAL CONDITIONS**

#### **TERMINATION**

This agreement may be terminated by either party upon five (5) days written notice. In the event of termination, Golden Gate Tank Removal, Inc. shall be paid for services performed prior to the termination notice date. This proposal may be withdrawn if not accepted within 30 days.

#### **DISPUTES & COLLECTIONS**

If a dispute arises relating to the performance of the services or failure to remit any payment in the time otherwise agreed in this contract shall constitute default of contract. In the event of default, Golden Gate Tank Removal, Inc. shall be entitled to receive its costs in pursuing collections, including interest and reasonable attorneys' fees. Should it become necessary for either party to this contract to obtain its



2000 Vale Rd, San Pablo California  
Proposal & Contract #8445  
May 3, 2013

enforcement or interpretation in a court of law, then the prevailing party in court shall be entitled, in addition to any other relief it receives, to its costs and reasonable attorneys' fees.

### COMPENSATION

<b>Tank Removal Cost Details</b>	
Permit Document Prep & Proj Mngt	\$2,970.00
Break and Dispose of Concrete Cover	\$2,170.00
Excavate Tank	\$3,270.00
Tank Preparation and Decontamination	\$3,670.00
Tank Removal & Loading for Transport	\$3,250.00
Soil Sample Collection & Closure Report Production	\$3,100.00
Import Fill, Backfill & Compaction	\$4,250.00
Resurface and Site Restoration	\$3,410.00
Office Support	\$2,790.00
<b>Total Direct Cost</b>	<b>\$28,880.00</b>
<b>Other Costs</b>	
Permit Fees	Cost + 15%
Transport & Disposal of Rinsate (If Necessary)	Cost + 15%
Cutting of Tank for Removal (If Necessary Est \$2000)	Cost + 15%
Crane for Tank for Removal (If Necessary Est \$1500)	Cost + 15%
T&D of Tank as Haz Mat (If Required Est \$4500)	Cost + 15%
Lab Analysis Estimate (\$ 1,200.00)	Cost + 15%

he cost of the above-described work at 2000 Vale Rd, San Pablo, shall be in the amount of:

\$ 6,000.00 is due upon start of project.

The balance is due upon completion of the work. A service charge of 1½% per month is charged on all delinquent accounts. The final report will be submitted to the owner and regulatory agencies upon receipt of final payment.

Date: \_\_\_\_\_

May 3, 2013

Date:

Acceptance \_\_\_\_\_

Print Name & Title \_\_\_\_\_

Phone \_\_\_\_\_

**Tim Hallen**

Tim Hallen

Golden Gate Tank Removal, Inc.

Digitally signed by Tim Hallen  
DN: cn=Tim Hallen, o=Golden Gate  
Tank Removal, Inc, ou=President,  
email=tim@ggtr.com, c=US  
Date: 2013.05.08 15:52:47 -0700



**PHYSICIAN CONTRACT: CLINICAL  
RESOURCE MANAGEMENT MEDICAL  
DIRECTOR- DR. SHARON DRAGER**

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**TAB 9**



**TRANSACTION SUMMARY  
PHYSICIAN TRANSACTIONS AND ARRANGEMENTS**

**SHARON DRAGER, M.D.  
Administrative Services Contract Effective July 1, 2013**

**A. Parties**

- Identify the physician/group and indicate the specialty/practice area and administrative expertise.

**Dr. Sharon Drager will provide consulting and administrative services, shall be responsible for the overall supervision of Clinical Resource Management activities, and shall perform the specific duties and responsibilities set forth below. The services provided under this Agreement shall be limited to administrative and teaching services provided to Hospital and shall not include any professional services to patients or any other services.**

**Services include:**

**Consulting Services. Physician shall provide assistance to the Clinical Resource Management (CRM) program staff in working with Hospital attending and consulting physicians to improve documentation and identify medical necessity for the admission and medical treatment plan of Hospital's patients. Physician will be available to talk with the attending/consulting physicians by telephone or in person.**

**Education. Physician shall provide education to the Hospital medical staff on an annual basis in the areas of medical necessity, role of CDI, and need for comprehensive documentation of services rendered to the patient.**

**Policies and Procedures. Physician shall assist in the development, maintenance, implementation, and update as necessary policies and procedures for the effective operation of the Service. These policies and procedures shall be consistent with applicable licensing regulations, and shall**

**promote high quality patient care. Policies and procedures shall be approved by the Administration, the Medical Staff, and the Board of Supervisors.**

**Personnel. Physician shall advise Hospital in the recruiting, evaluation, and retention of key Hospital personnel working in the Service.**

**Planning. Upon request of Hospital, Physician shall participate in Hospital's planning process as it relates to the operation of the Service.**

**Quality Assurance. In cooperation with Hospital's formal quality assurance program, Physician shall assist in the development and implementation of appropriate quality assurance activities for the Service. In addition, Physician shall monitor utilization and quality of services, and shall recommend steps necessary to remedy deficiencies therein. These activities shall be conducted through Hospital's Medical Staff committee structure. Nothing in this Agreement is intended to affect the privileges and immunities that attend such Medical Staff activities.**

**Equipment. Physician shall advise Hospital on the selection, maintenance, and repair of equipment for the Service, and shall arrange for or advise Hospital on the need for maintenance or repair of equipment within the Service.**

**Committees. Physician shall participate on Hospital and Medical Staff committees at the request of the Administrator or the Medical Staff.**

**Marketing. Physician shall assist in developing and implementing Hospital's marketing plan as it relates to the Service. Physician shall maintain the confidentiality of such marketing plan.**

**Other Responsibilities. Physician shall perform such other responsibilities as reasonable necessary for the proper operation of the Service.**

- The arrangement is with a professional corporation.

**The arrangement is with an individual**

**B. Purpose/Reasons to Pursue the Arrangement**

- Describe how the arrangement meets a community need.

**As DMC prepares for healthcare reform, the hospital will become increasing focused on care coordination and clinical resource management, consistent with the rest of the country. This is one step in that process.**

- Indicate whether the arrangement is new or is a renewal of an existing arrangement.

**The arrangement is a new arrangement.**

**C. Services to be Provided**

- Describe the services to be provided by the physician/group.

**As outline above.**

- Describe the time commitment of physician/group (e.g., FTE, part-time, # of hours)

**Physician shall devote a minimum average of ten (10) hours per month performing the services described in this Agreement. The parties recognize that the actual time required to perform such services may vary from month to month, but the parties agree that Physician shall in no event devote less than three (3) times the minimum average monthly hours during any quarter during the term of this Agreement.**

- Describe how the services actually provided will be tracked and documented by hospital management.

**Physician shall contemporaneously record the actual number of hours and a description of the actual services provided on a monthly time report (the "Time Report") as modified from time to time by Hospital. Physician shall deliver to the Administrator completed and signed copies of the applicable Time Reports within 5 days after the end of each calendar month during the term of this Agreement. Upon request of Hospital, Physician shall from time to time complete and execute such other time reports or allocation statements on forms provided by Hospital as may be required to comply with applicable Medicare and other legal requirements.**

**D. Financial Terms**

- Describe the compensation methodology (hourly fee, monthly or annual salary, etc.). Indicate the aggregate compensation to be paid.

**Compensation will include a fix payment of \$2,000 monthly.**

- Describe any other benefits payable to, or provided to (space, services, equipment, etc.), the physician.

**DMC will provide clinical and office space to the physician as necessary to carry out the responsibilities under the contract.**

- Describe the methodology for determining that the financial terms meet Fair Market Value requirements.

**The MDRanger Physician Contract Benchmark Report was utilized, and findings are attached.**

**E. Other Terms**

- Indicate whether the arrangement will be structured as an employment or independent contractor relationship.

**Independent Contract relationship**

- Indicate the term of the arrangement (dates) and describe the termination provisions.

**The arrangement is effective July 1, 2013 with a one year term**

- Indicate insurance coverage arrangements.

**Physician shall maintain professional liability insurance in the minimum amounts of \$1,000,000 per occurrence/\$3,000,000 annual aggregate from an insurance company acceptable to Hospital. If such insurance is on a “claims-made” basis, and such coverage is later terminated, or converted to an “occurrence” coverage (or vice versa), Physician shall also acquire “prior acts” or “tail” coverage (as applicable), in the above amounts, covering all periods that this Agreement is or has been in force.**

**F. Business and Financial Risk**

- Identify any specific business and financial risks of the arrangement.

**None identified**

- Identify any conflicts of interest that have been identified through application of the Conflict of Interest Policy.

**Dr. Drager is a member of the Governing Body.**

**G. Special Terms**

- List any special requests or conditions proposed by the physician.

**None**

Recommended for Approval:

\_\_\_\_\_  
Chief Executive Officer  
Doctors' Medical Center – San Pablo

Dated: \_\_\_\_\_

**Attachments:**

**Fair Market Value analysis**





## ADMINISTRATIVE SERVICES AGREEMENT

Clinical Resource Management

Sharon Drager, MD Professional Corporation

This Administrative Services Agreement (this "Agreement") is entered into as of \_\_\_\_\_, 2013 (the "Effective Date") by and between the West Contra Costa Healthcare District, a political subdivision of the State of California doing business as Doctor's Medical Center –San Pablo ("Hospital") and Sharon Drager, M.D. P.C., a Professional Corporation ("Physician").

### RECITALS

A. Hospital operates a licensed general acute care hospital in San Pablo, California and in conjunction therewith maintains a Clinical Resource Management (CRM) service/department (the "Service"). Hospital is in need of an experienced, qualified physician to serve as consultant for the Service.

B. Physician is duly licensed to practice medicine in the State of California.

C. Hospital wishes to engage Physician to serve as a consultant for the Service, and Physician wishes to be so engaged by Hospital.

NOW, THEREFORE, the parties agree as follows:

#### 1. DUTIES OF PHYSICIAN

During the term of this Agreement, Physician shall perform and comply with all duties, responsibilities, conditions and covenants set forth in this Agreement, including but not limited to the following:

a. **Services.** Physician shall serve as consultant for the Service, shall be responsible for the overall supervision of the Service and shall perform the specific duties and responsibilities set forth in Exhibit A attached hereto. The services provided under this Agreement shall be limited to administrative and teaching services provided to Hospital and shall not include any professional services to patients or any other services.

b. **Coordination of Services.** Hospital, through its Chief Executive Officer or designee (the "Administrator"), and Physician shall coordinate their activities in connection with the Service, and Physician shall inform the Administrator of any extended periods (i.e., one week or more) during which Physician will be unavailable due to vacation, professional meetings, or other personal or professional commitments. Physician will be unavailable for no more than four (4) weeks per year.

c. **Minimum Time Requirements.** Physician shall devote a minimum average of ten (10) hours per month performing the services described in this Agreement. The parties recognize that the actual time required to perform such services may vary from month to month, but the parties agree that Physician shall in no event devote less than three (3) times the minimum average monthly hours during any quarter during the term of this Agreement.

d. **Time Reports.** Physician shall contemporaneously record the actual number of hours and a description of the actual services provided on a monthly time report (the "Time Report") in the form attached hereto as Exhibit B, as modified from time to time by Hospital. Physician shall deliver to the Administrator completed and signed copies of the applicable Time Reports within 5 days after the end of each calendar month during the term of this Agreement. Upon request of Hospital, Physician shall from time to time complete and execute such other time reports or allocation statements on forms provided by Hospital as may be required to comply with applicable Medicare and other legal requirements.

e. **Professional Qualifications.** Physician shall at all times:

- (1) Hold an unrestricted license to practice medicine in the State of California, and be board certified to practice in the Specialty;
- (2) Be a member in good standing of Hospital's Medical Staff; and
- (3) Be eligible to provide services to beneficiaries under the Medicare and Medi-Cal programs as a participating physician.

f. **Representations and Warranties.** Physician represents and warrants to Hospital that:

- (1) Physician is not bound by any agreement or arrangement which would preclude Physician from entering into, or from fully performing the services required under, this Agreement;
- (2) Physician's license to practice medicine in the State of California or in any other jurisdiction has never been denied, suspended, revoked, terminated, voluntarily relinquished under threat of disciplinary action, or restricted in any way;
- (3) Physician's medical staff privileges at any health care facility have never been denied, suspended, revoked, terminated, voluntarily relinquished under threat of disciplinary action, or made subject to terms of probation or any other restriction; and

- (4) Physician has never been convicted of an offense related to healthcare, or listed by the Medicare or Medi-Cal programs or any other federal or state agency as excluded or otherwise ineligible for federal or state program participation.

g. **Notice of Failure to Meet Professional Qualifications.**

Physician shall promptly notify Hospital of any event causing or likely to cause a failure by Physician to meet the professional qualification requirements set forth in Section 1.e. hereof or any other breach of the terms of this Agreement by Physician.

h. **Compliance with Rules and Laws.** Physician shall at all times comply with all policies, bylaws, rules and regulations of Hospital and Hospital's Medical Staff, applicable standards and recommendations of the The Joint Commission, and all applicable federal, state and local laws, rules and regulations.

i. **Compliance Program.** Physician shall comply with Hospital's corporate compliance program. Physician shall cooperate with any corporate compliance audits, reviews and investigations which relate to Physician and/or any of the services provided by Physician under this Agreement. Subject to request by Hospital, such cooperation shall include without limitation the provision of any and all documents and/or information related to Physician and Physician's provision of services under this Agreement. In addition, as requested by Hospital, Physician shall participate in corporate compliance-related seminars and educational programs sponsored by Hospital.

j. **Insurance.** Physician shall maintain professional liability insurance in the minimum amounts of \$1,000,000 per occurrence/\$3,000,000 annual aggregate from an insurance company acceptable to Hospital. If such insurance is on a "claims-made" basis, and such coverage is later terminated, or converted to an "occurrence" coverage (or vice versa), Physician shall also acquire "prior acts" or "tail" coverage (as applicable), in the above amounts, covering all periods that this Agreement is or has been in force.

k. **Use of Hospital Facilities.** Any facilities, equipment, supplies, or personnel provided by Hospital shall be used by Physician solely to provide services under this Agreement and shall not be used for any other purpose whatsoever. This Agreement shall not be construed as a lease to Physician of any portion of Hospital's facilities; insofar as Physician may use a portion of Hospital's facilities, Physician does so as a licensee only, and Hospital shall at all times have full and free access to the same.

l. **Expenses.** Physician shall not incur any expenses or financial obligations on behalf of Hospital without Hospital's prior written approval. Hospital shall not be responsible for Physician's expenses related to professional license fees, association membership fees or dues, professional liability insurance, attendance at professional meetings, or any other expenses that relate to Physician's clinical medical practice or other activities outside the scope of this Agreement.

m. **Expert Witness Conflict of Interest.** Physician shall not accept any consulting assignment or otherwise contract, agree or enter into any engagement to provide expert testimony, evaluation or other services on behalf of a plaintiff in connection with any claim asserting negligence, malpractice or professional liability on the part of Hospital or any employee of Hospital or health care facility if the claim relates to the acts or omissions of such employee within the scope of such employee's employment. Notwithstanding the foregoing, nothing herein shall prevent Physician from testifying as a factual witness in an action in which both Physician and Hospital (or of Hospital or any employee of Hospital or health care facility) are defendants.

n. **Nondiscrimination.** Physician shall provide services under this Agreement without regard to any Hospital patient's race, color, age, creed, sex, national origin, ancestry, marital status, sexual orientation, handicap or financial status.

o. **Anti-Referral Laws.** Nothing in this Agreement, nor any other written or oral agreement, nor any consideration in connection with this Agreement, contemplates or requires or is intended to induce or influence the admission or referral of any patient to or the generation of any business between Physician and Hospital. This Agreement is not intended to influence Physician's judgment in choosing the medical facility appropriate for the proper care and treatment of Physician's patients, or restrict Physician in any way from establishing medical staff membership or clinical privileges at any other healthcare facility.

## 2. DUTIES OF HOSPITAL

During the term of this Agreement, Hospital shall perform and comply with all duties and responsibilities, conditions and covenants set forth in this Agreement, including but not limited to the following:

a. **Equipment, Supplies, Etc.** Hospital shall provide and maintain all customary and necessary equipment, supplies, maintenance, utilities and personnel reasonably required for operation of the Service. The parties acknowledge and agree that the Service is currently equipped, maintained and staffed in a reasonable and satisfactory manner. The addition, deletion or purchase of equipment and supplies and the selection, removal and retention of personnel shall be the exclusive function of Hospital, after consultation with the Physician, when reasonably possible.

b. **Responsibility for Service.** To the extent required by applicable laws and regulations, Hospital shall retain professional and administrative responsibility for the services rendered to patients in the Service.

## 3. COMPENSATION

a. **Payments.** For all services rendered by Physician under this Agreement, Hospital shall pay Physician the sum of \$2,000.00 per month. Payments shall

be made monthly within fifteen (15) days of Hospital's receipt of a completed and signed Time Report validated by Hospital detailing services provided during the preceding month. Payment for any partial month shall be prorated based on the actual number of days in such month that this Agreement was in effect.

b. **Tax Reporting.** To the extent required by law, Hospital shall report all payments to Physician under this Agreement on IRS Form 1099 and its state law counterpart. To ensure that payments are properly reported, Physician shall complete, execute and deliver to Hospital an IRS Form W-9.

c. **No Billing of Patients.** Physician's provision of professional services to patients is not covered by this Agreement, and Physician shall not bill or assert any claim for payment against any patient or payor for services performed by Physician under this Agreement. Physician shall be solely responsible for billing for professional services provided to Physician's patients.

#### 4. **TERM**

a. **Term.** The term of this Agreement shall be one (1) year commencing on the Effective Date of this Agreement, unless terminated earlier pursuant to Section 4.b. hereof.

b. **Early Termination.**

(1) **Immediate Termination by Hospital.** Hospital may terminate this Agreement immediately by written notice to Physician upon the occurrence of any of the following events:

(a) the death or disability of Physician (for purposes of this Agreement, "disability" shall mean a physical or mental condition, verified by a physician designated by Hospital, that prevents, or is substantially certain to prevent, Physician from carrying out one or more of the essential functions of Physician's position, with or without reasonable accommodation, for a continuous period of ninety [90] days);

(b) the occurrence of an event causing or likely to cause a failure by Physician to meet the professional qualification requirements in Section 1.e. (Professional Qualifications) hereof;

(c) the inaccuracy of any representation of Physician in Section 1.f. (Representations and Warranties) hereof;

(d) Physician's failure to obtain or maintain professional liability insurance as required under this Agreement.

(e) the occurrence of any incident that significantly impairs the operation of the Hospital or Hospital's license, accreditation, or Medi-Care or Medi-Cal participation;

(f) any act of omission by Physician that jeopardizes the quality of care provided to Hospital's patients;

(g) Physician's use, possession, or discovery under the influence of alcohol, drugs, or other controlled substances at Hospital while on duty, unless in accordance with a physician's prescriptions;

(h) closure of the Service or sale or closure of the hospital at which the Service is located.

(2) **Material Breach.** Subject to the immediate termination rights of Hospital set forth in Section 4.b.(1), either party shall have the right to terminate this Agreement upon a material breach of any terms or conditions of this Agreement by the other party, provided such breach continues uncured for 15 days after receipt by the breaching party of written notice of such breach from the non-breaching party. The parties expressly acknowledge and agree that each of the following constitutes a material breach of this Agreement: (i) failure of Physician to deliver Time Reports in a timely manner, (ii) failure to satisfy the minimum time requirements set forth in Section 1.c. hereof, or (iii) any act or omission by Physician that jeopardizes the quality of care provided to Hospital's patients.

(3) **Legal Jeopardy.** If either party obtains a written opinion of legal counsel stating that, in the event of an audit or investigation, this Agreement is likely to be challenged by any governmental agency as illegal or improper or resulting in fines, penalties or exclusion from the Medicare or Medi-Cal programs, or in the case of Hospital, loss of its tax-exempt status or its ability to obtain tax-exempt financing, that party may terminate this Agreement by providing written notice, including a copy of such opinion, to the other party. Within ten (10) days of such notice, the parties shall meet and confer to discuss mutually acceptable means of restructuring the relationship to eliminate the legal concern. In the event that the parties are unable to reach agreement on new terms within twenty (20) days of their meeting, this Agreement shall automatically terminate.

(4) **Without Cause Termination.** Either party may elect to terminate this Agreement, without cause or penalty, upon 30 days' written notice to the other party.

c. **Effect of Expiration or Termination.**

(1) **Termination of Obligations.** Except as otherwise provided in this Section 4.c., upon expiration or other termination of this Agreement, the parties

shall be relieved and released from any further duties and obligations under this Agreement.

(2) **Pre-Termination Services.** Hospital shall pay Physician any unpaid monthly stipend due for any period prior to the termination date, with such monthly payment prorated on a daily basis if the termination date occurs on a day other than the last day of a month.

(3) **Liability for Breach.** A termination by any party as a result of a material breach by the other party shall not be an exclusive remedy, and the non-breaching party shall be entitled to pursue other remedies for such breach available at law or in equity.

(4) **Vacating Premises and Removing Property.** Upon expiration or termination of this Agreement and upon the request of Hospital, Physician shall immediately vacate Hospital premises and remove any and all of Physician's personal property. Any personal property that is not so removed may be removed by Hospital at Physician's expense.

(5) **Survival.** The provisions of Sections 1.d., 1.j., 1.k., 5, 6, 7, 8 9 and 10 shall survive termination of this Agreement.

d. **No Procedural Rights.** Continuation of this Agreement is not a condition of Medical Staff membership. Therefore, Physician acknowledges and agrees that this Agreement, and Physician's directorship, may be terminated in accordance with this Section 4 without the necessity of a hearing before the Hospital's Board of Supervisors, a committee of the Medical Staff, or any other body.

e. **Renewal, Extensions, New Agreements.** Neither party shall have any obligation to renew or extend, or to negotiate a renewal or extension of, this Agreement or enter into a new agreement for any period after this Agreement is terminated. If this Agreement is terminated prior to its first anniversary for any reason, the parties shall not enter into a renewal or extension of this Agreement or a new agreement for the same or substantially similar services of Physician prior to the first anniversary of the Effective Date of this Agreement.

## 5. **INDEPENDENT CONTRACTOR RELATIONSHIP**

In performing the services described in this Agreement, Physician is acting as an independent contractor, and shall not be considered an employee, joint venturer or partner of Hospital for any purpose whatsoever. Hospital shall neither have nor exercise any control or direction over the methods by which Physician shall perform the services required under this Agreement. The sole interest and responsibility of Hospital is to assure that such services are performed in a competent, efficient and satisfactory manner. Physician shall at all times relevant to the performance of services

under this Agreement remain the sole employer of Physician, and neither Physician nor Hospital shall have any claim under this Agreement or otherwise against Hospital for compensation of any kind, workers' compensation, severance pay, vacation pay, sick leave, retirement benefits, health plan benefits, Social Security benefits, disability insurance benefits, unemployment insurance benefits or any other benefits of any kind. Physician agrees that it shall do the following: withhold FICA (Social Security) from payments to Physician; make state or federal unemployment insurance contributions on Physician's behalf; withhold state and federal income tax from payments to Physician; make disability insurance contributions on behalf of Physician; and obtain workers' compensation insurance on behalf of Physician. Physician and/or Hospital, as the case may be, shall be solely responsible for, and shall indemnify, defend and hold Hospital harmless from and against any claim, liability or expense related to, any and all income tax withholding, estimated income tax, social security tax, self-employment tax, unemployment tax or any other tax obligations related to the compensation payable by Hospital to Physician under this Agreement and the compensation payable by Hospital to Physician or any other physician employed or engaged by Hospital.

## 6. CONFIDENTIALITY

a. **Hospital Information.** Physician recognizes and acknowledges that, by virtue of entering into this Agreement and providing services to Hospital hereunder, Physician may have access to certain information of Hospital that is confidential and constitutes valuable, special and unique property of Hospital. Physician agrees that at no time, either during or subsequent to the term of this Agreement, shall he/she disclose to others, use, copy or permit to be copied, without Hospital's express prior written consent, except pursuant to Physician's duties hereunder, any confidential or proprietary information of Hospital, including, but not limited to, information which concerns Hospital's patients, costs, prices and treatment methods at any time used, developed or made by Hospital, and which is not otherwise available to the public.

b. **Terms of this Agreement.** Except for disclosure to Physician's legal counsel, accountant or financial advisor (none of whom shall be associated or affiliated in any way with Hospital or any of its affiliates), Physician shall not disclose any terms of this Agreement to any person who is not a party to this Agreement, unless disclosure thereof is required by law or otherwise authorized by this Agreement or consented to in writing by Hospital.

c. **Patient Information.** Physician shall not disclose to any third party, except where permitted or required by law or where such disclosure is expressly approved by Hospital in writing, any patient or medical record information regarding Hospital patients, and Physician shall comply with all federal and state laws and regulations, and all rules, regulations, and policies of Hospital and its Medical Staff, regarding the confidentiality of such information, including, but not limited to, the Health



Insurance Portability and Accountability Act (HIPAA) (45 C.F.R. Part 160, et seq.) as amended from time to time.

## 7. ACCESS TO BOOKS AND RECORDS

a. **Access.** Physician shall maintain and make available all necessary written agreements, books, documents and records in order to assure that Hospital will be able to meet all requirements for participation and payment associated with public and private third party payment programs, including but not limited to matters covered by Section 1861(v)(1)(I) of the Social Security Act, as amended. With respect to said Section 1861(v)(1)(I), Physician agrees as follows:

(1) Until the expiration of four (4) years after the furnishing of services under this Agreement, Physician shall, upon written request, make available to the Secretary of the Department of Health and Human Services (the "Secretary"), the Secretary's duly-authorized representative, the Comptroller General, or the Comptroller General's duly-authorized representative, this Agreement, and such books, documents and records as may be necessary to certify the nature and extent of the costs of such services; and

(2) If any such services are performed by way of subcontract with a value or cost of Ten Thousand Dollars (\$10,000) or more over a twelve-month period, such subcontract shall contain, and Physician shall enforce, a clause to the same effect as subparagraph (1) immediately above.

b. **Limits.** The availability of Physician's Agreement, books, documents, and records shall be subject at all times to all applicable legal requirements, including, without limitation, such criteria and procedures for seeking and obtaining access that may be promulgated by the Secretary by regulation.

## 8. DISPUTE RESOLUTION

In the event that any dispute arises between Physician and Hospital arising out of or related to the validity, interpretation, enforcement or performance of this Agreement, or otherwise arising out of the relationship between the parties or the termination of that relationship, either party may by written notice call a meeting regarding such dispute to be attended by Physician and an executive officer of the Hospital who has the authority to negotiate and bind Hospital to a resolution. At the meeting, the parties shall attempt in good faith to resolve the dispute. If the dispute cannot be resolved within forty-five (45) days from the date of the initial notice, and if any party wishes to pursue the dispute, the dispute shall be submitted to binding arbitration in accordance with the Rules of the American Arbitration Association. The decision of the arbitrator shall be final and binding and shall be fully enforceable in any court having jurisdiction and venue over the parties. The arbitrator shall have no power to alter, modify, ignore, otherwise deviate from the express terms of this Agreement, and



e. **No Third Party Rights.** The parties do not intend the benefits of this Agreement to inure to any third person not a signatory to this Agreement. Notwithstanding anything contained herein, or any conduct or course of conduct by any party to this Agreement, before or after signing this Agreement, this Agreement shall not be construed as creating any right, claim or cause of action against either party by any person or entity not a party to this Agreement.

f. **Governing Law.** This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of California.

g. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

h. **Entire Agreement.** This Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof.

i. **Amendments.** Amendments to this Agreement shall be made only in a writing duly executed by both parties hereto.

j. **Other Service Agreements.** Hospital represents that its computer databases include copies of all other agreements or arrangements under which Physician provides services to Hospital. Hospital also represents that its computer databases include copies of all other agreements pursuant to which Hospital provides services to Physician.

k. **Litigation Cooperation.** Each party shall reasonably cooperate with the other party in furnishing information, testimony and other assistance in connection with any litigation, audits, proceedings or disputes relating to this Agreement or the Service, other than proceedings or disputes between the parties to this Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the date first above written.

**HOSPITAL:**

---

By: Dawn Gideon  
Its: Chief Executive Officer

**SHARON DRAGER, M.D.  
PROFESSIONAL CORPORATION:**

---

Sharon Drager, M.D.

## **EXHIBIT A**

### **PHYSICIAN DUTIES AND SERVICES**

Physician shall be responsible to perform the administrative services set forth below.

a. **Consulting Services.** Physician shall provide assistance to the Clinical Resource Management (CRM) program staff in working with Hospital attending and consulting physicians to improve documentation and identify medical necessity for the admission and medical treatment plan of Hospital's patients. Physician will be available to talk with the attending/consulting physicians by telephone or in person.

b. **Education.** Physician shall provide education to the Hospital medical staff on an annual basis in the areas of medical necessity, role of CDI, and need for comprehensive documentation of services rendered to the patient.

c. **Policies and Procedures.** Physician shall assist in the development, maintenance, implementation, and update as necessary policies and procedures for the effective operation of the Service. These policies and procedures shall be consistent with applicable licensing regulations, and shall promote high quality patient care. Policies and procedures shall be approved by the Administration, the Medical Staff, and the Board of Supervisors.

d. **Personnel.** Physician shall advise Hospital in the recruiting, evaluation, and retention of key Hospital personnel working in the Service.

e. **Planning.** Upon request of Hospital, Physician shall participate in Hospital's planning process as it relates to the operation of the Service.

f. **Quality Assurance.** In cooperation with Hospital's formal quality assurance program, Physician shall assist in the development and implementation of appropriate quality assurance activities for the Service. In addition, Physician shall monitor utilization and quality of services, and shall recommend steps necessary to remedy deficiencies therein. These activities shall be conducted through Hospital's Medical Staff committee structure. Nothing in this Agreement is intended to affect the privileges and immunities that attend such Medical Staff activities.

g. **Equipment.** Physician shall advise Hospital on the selection, maintenance, and repair of equipment for the Service, and shall arrange for or advise Hospital on the need for maintenance or repair of equipment within the Service.

h. **Committees**. Physician shall participate on Hospital and Medical Staff committees at the request of the Administrator or the Medical Staff.

i. **Marketing**. Physician shall assist in developing and implementing Hospital's marketing plan as it relates to the Service. Physician shall maintain the confidentiality of such marketing plan.

j. **Other Responsibilities**. Physician shall perform such other responsibilities as reasonably necessary for the proper operation of the Service.

**EXHIBIT B**

**TIME REPORT**

[Form Attached]

## PHYSICIAN TIME REPORT

Physician: \_\_\_\_\_

Week Beginning: \_\_\_/\_\_\_

ADMINISTRATIVE SERVICES	Mon.	Tues.	Wed.	Thurs.	Fri.	Sat.	Sun.	Weekly Totals
Management/Staff Meeting								
Committee Meeting								
CDI Advisement								
Quality Review								
Physician Education/Consultation								
Community Presentation								
Protocol/Policy Development								
Program Development								
Other, describe:								
Other, describe:								
<b>TOTAL DAILY HOURS</b>								

I certify that this Time Report is a true and accurate record of my services and hours during the week indicated.

Date: \_\_\_\_\_  
Signature \_\_\_\_\_





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**MEDICAL EXECUTIVE REPORT**

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**TAB 11**

## MEDICAL EXECUTIVE COMMITTEE REPORT TO THE BOARD

**MEC DATE:** June 10, 2013

**BOARD DATE:** June 26, 2013

**Non-Action Items:**

TOPIC	Comment (S)
<p>Dawn Gideon reported on the following:</p> <ul style="list-style-type: none"> <li>• On-going discussions with Hospitalists Group and Finance Department to streamline Discharges on Patients vs. Reimbursements.</li> <li>• Negotiations of a new contract with CNA will start in the upcoming month as the current contract will expire at the end of June. Accountability will be the key to success for the negotiations of the new contract.</li> </ul> <p>Dr. Sharon Drager reported on the following:</p> <ul style="list-style-type: none"> <li>• Clinical Resource Management System Implementation: to provide potential opportunities for DMC to improve reimbursements and track down more effective process for claim appeals and denials.</li> <li>• Orders / Protocol               <ul style="list-style-type: none"> <li>➢ None presented.</li> </ul> </li> <li>• Pharmacy &amp; Therapeutics               <ul style="list-style-type: none"> <li>➢ None presented. Meeting was cancelled in May.</li> </ul> </li> </ul>	<p>No action required by the Board</p>
<p>No action required by the Board</p>	<p>No action required by the Board</p>

**Action Items:** None

**Credentials Repots:** The Credentials Report is reported under the Executive Session portion of the meeting

II. MEDICAL STAFF COMMITTEE		DATE
CREDENTIALS COMMITTEE		May 23, 2013
MEDICAL EXECUTIVE COMMITTEE		June 10, 2013
BOARD OF DIRECTORS APPROVAL		June 26, 2013

**DOCTORS MEDICAL CENTER  
CREDENTIALS REPORT  
MAY 2013**

**INITIAL APPOINTMENTS**

The following practitioners have applied for membership and/or clinical privileges at DOCTORS MEDICAL CENTER. This summary includes factors that determine status of membership, licensure, professional liability insurance, required certifications (if applicable), etc. Factors that determine current competence include medical/professional education, training (internship/residencies/fellowship) and experience, board certification (if applicable), current and previous hospital and other institutional affiliations, physical and mental health status, peer references, and past or pending professional disciplinary action.

NAME	DEPARTMENT/SPECIALTY	CATEGORY	APPOINTMENT TERM	RECOMMENDATION
Zachariah, Alvin, MD	Med./Family Practice/Internal Medicine	Provisional	6/26/2013 – 6/25/2015	Approval

**REAPPOINTMENTS**

The following practitioners have applied for reappointment to the Medical Staff. This summary includes factors that determine membership; licensure, DEA, professional liability insurance, required certifications (if applicable), etc. Qualitative/quantitative factor, developed through on-going professional performance evaluation, include peer review, quality performance, clinical activity, privileges, competence, technical skills, behavior, health, medical records, blood review, medication usage, litigation history, utilization and continuity of care. **Membership requirements are met, unless specified below.**

NAME	DEPARTMENT/SPECIALTY	CATEGORY	REAPPOINTMENT TERM	RECOMMENDATION
Bell Timothy, MD	Med./Family Practice/Teleradiology	Courtesy	07/23/13 – 06/30/15	Approval
Hyun, James, MD	Med./Family Practice/Teleradiology	Courtesy	07/23/13 – 06/30/15	Approval
Kinchen, Ernest, MD	Med./Family Practice/Teleradiology	Courtesy	07/23/13 – 06/30/15	Approval
Lloyd, Cynthia, MD	Med./Family Practice/Teleradiology	Courtesy	07/23/13 – 06/30/15	Approval
Patel, Jagdish, MD	Med./Family Practice/Teleradiology	Courtesy	07/23/13 – 06/30/15	Approval

Ramirez, Gabriel, MD	Med./Family Practice/Teleradiology	Courtesy	07/23/13 – 06/30/15	Approval
Viswamitra, Sanjaya, MD	Med./Family Practice/Teleradiology	Courtesy	07/23/13 – 06/30/15	Approval
Vu, Bach, MD	Med./Family Practice/Teleradiology	Courtesy	07/23/13 – 06/30/15	Approval
<b><u>VOLUNTARY RESIGNATIONS</u></b>				
<b><u>NAME</u></b>	<b><u>DEPARTMENT/SPECIALTY</u></b>		<b><u>EFFECTIVE DATE</u></b>	
McNamara, Michael MD	Med./Family Practice/Family Practice		05/27/2013	
Sandler, Maurice, MD	Surgery/Genitourinary Surgery		05/27/2013	