



Tehachapi Hospital

Quality healthcare. Right here. Right now.

www.TVHD.org

(661) 823-3000

CEO Communiqué

Written by

Alan J. Burgess, FACHE, CFAAMA, CEO

March 2010

Community Advisory Committee-Update and Community Interactions

Our last regularly scheduled meeting was held on Saturday, January 23rd with only 5 in attendance. We will continue to meet the fourth Saturday of every month at 8:30 a.m. Our next meeting will be on February 20th, 2010.

Construction Update

For the Board and community, here is a quick summary of current status:

Architectural Design

Our Architectural/Engineering/Design firm, Stephen Wen Associates (SWA), has already taken their conceptual space plans to the next level. We anticipate a full submission to the OSHPD in March 2010. Allowing eight to fourteen months for approval, we hope to break ground in the Spring of 2011.

Bond Issue(s)

As previously reported, we had approximately \$16.5 million in the bank (with accrued interest) from the sale of the 2004 GO Bond authorization to sell \$15 million. Along with contributions and gifts these monies totaled approximately \$17 million before we started paying for design and project management services on the new hospital. We expect the full cost of the new hospital, including soft costs and equipment, etc. to total \$67 million. Thus, we sought and won a \$50 million GO Bond authorization approval on November 3rd, 2009 to allow us to build the new facility. We don't anticipate selling these bonds until that money is needed and when the bond interest rates are more favorable to minimize the burden on taxpayers.

California Environmental Quality Act (CEQA)

Norm and I met with Karen Northcutt. She has been retained to perform our CEQA review. Now that we have our site plan and designs nearly finalized, Karen is working to complete the CEQA study and will provide us with her observations and recommendations as soon as possible. Then the Board will decide whether they can make a

“negative declaration.”

Capital Hills Site

We continue to work closely with Tehachapi City officials to work towards making the Capital Hills site the home of our new hospital complex. The City has designated our new hospital a street address of 2000 Magellan Drive.

Quiet Room Fundraiser

I have sent a new letter to our mailing list of all local religious congregations and other interested parties, soliciting their financial support for the Quiet Room in the new hospital. I also solicited their input on a draft policy on clergy and meeting the spiritual needs of hospitalized and emergency patients.

Skilled Nursing Facility

The District needs to make a determination whether we will continue to “swing beds” to long term care patients or whether we want to borrow additional funds to build a nursing home, or contract with a third party to build and operate one on our property. In any event, it is clear we will not simply turn our backs on our LTC residents. I provided the Board a position paper for their review last month. Joe Demont is working up a business plan and analysis to assist the board in coming to a decision in this matter.

Travel Report

On Wednesday, January 27th, Norm and I traveled to Sacramento to meet with the CDC Federal Receiver and CDC key staff to discuss our hospital construction and to show them what we have done in our planning to minimize the interactions between inmates, prisoners and the general public. We also discussed CDCR's long range plans to meet court ordered measures to satisfy inmate healthcare needs. City Manager Greg Garrett, Mayor Linda Vernon and Councilmember Ed Grimes arranged for the meeting, joined us at the table in Sacramento, and demonstrated by their presence that TVHD and the City are working together well for the future needs and interests of

the Greater Tehachapi community.

Contract Negotiations:

Drug Room Services

Kim Hoffman, PharmD and Andrew Petty, R.N., released an RFP on April 28th. Sav-On was the only proposal for the pharmacy contract for our LTC patients' prescriptions, but they never followed up with a contract. K-Mart elected not to submit a revised proposal. Andrew and Kim are reviewing proposals from "OmniCare" and from "Dawn's Pharmacy" in Tehachapi. After careful analysis, they will recommend a pharmacy contractor.

GemCare

Joe Demont and Carleen Warrack are still working with Stephen Linesch to revise our MOA with GemCare for the new members and all GemCare beneficiaries/participants. There has been a little more progress this past month, but still no final contract.

Exploring Program

On February 8th the Boy Scouts of America will celebrate their Centennial Birthday as an organization. Since February 8, 1910, the BSA program has helped to build character, citizenship and personal fitness in the young men (and more recently young women) of America. Working through its wholly owned subsidiary, Learning for Life, BSA works through schools, government and businesses to help teach ethical and moral decision making and provides 14- to 20-year olds with career opportunity awareness experiences and preparation for successful careers. TVHD sponsors a health careers awareness Exploring Program in partnership with the TUSD/Tehachapi High School and their ROP program. I want to recognize Gayle Kuhar, Laura Pearsall, Chris Hoose, Dr. Cynthia Hynes, Cherie Franks and all the others who are working with these young adults to help prepare them for careers in the health care industry. Although there are many Law Enforcement Explorer programs in California, TVHD sponsors one of the very few medical Explorer programs. It is an honest effort to help build future rural healthcare professionals. It is a great program we can take pride in.

Hospital Information System

Our current and projected health information system needs exceed the capabilities of our current Mardon Health Information System. We are exploring their new product and other vendors' products to determine the best long-range solution to our HIS needs for the future. Meanwhile, we have had to replace one of the Mardon system servers, which will take our operating system off line all day on Tuesday, February 9th. We can give a verbal update at the Board meeting.

So far we have seen five Hospital Information System (HIS) vendors' presentations; the most recent company to make a presentation of their hospital-wide integrated HIS was McKesson. We are still waiting to see what Mardon has to offer. Joe Demont and Dusty Colvard have taken the lead over this endeavor. We also expect to visit a current user to see their Paragon product from McKesson in use in a real hospital environment (as opposed to a demo system) on Friday, February 12th.

Surgical Services

As previously noted, we had been approached by two Bakersfield surgeons that were interested in coming to Tehachapi to perform "conscious sedation" procedures/surgeries (such as colonoscopies) at our facility using our rooms and helping us to gear up for a transition to doing surgeries in the new hospital. They have indicated they want a cash business guarantee that we are no longer comfortable with. In December, we had a gastroenterologist also show some interest in doing procedures in our hospital. So far, none of the local gastroenterologists or surgeons has shown any interest in pursuing this business line in our current operating suite. I will be taking on this project, but right now other priorities supersede this initiative. We still need to move a few functions around to accommodate re-opening surgery.

Sincerely,

Alan