



MEETING DATE: 3/16/2009

ITEM NO: 9

COUNCIL AGENDA REPORT

DATE: MARCH 12, 2009

TO: MAYOR AND TOWN COUNCIL

FROM: GREG LARSON, TOWN MANAGER

A handwritten signature in black ink, appearing to read "Greg Larson".

SUBJECT: PRESENTATION REGARDING THE TEMPORARY CLOSURE AND TRANSITION OF THE COMMUNITY HOSPITAL OF LOS GATOS

RECOMMENDATION:

No action is required or recommended at this time; this is primarily an opportunity to gather information regarding the forthcoming closure and reopening of the Community Hospital of Los Gatos. Relevant Council direction to staff would be appropriate upon majority action of the Council.

BACKGROUND:

In the middle of 2008, it was announced that Tenet Corporation, the current operator of the Community Hospital of Los Gatos (CHLG), had settled a series of property disputes with HCP, Inc., a real estate trust based in Long Beach that currently owns CHLG. That settlement included the termination of Tenet's lease of CHLG as of June 1, 2009.

In August, 2008, the Town Council unanimously adopted a resolution reaffirming the current zoning and land uses on the CHLG property, indicating that any substantive change to residential or other use would need to be considered as part of the General Plan Update process and its associated environmental review.

Last fall, it was announced that El Camino Hospital of Mountain View would acquire and operate CHLG as of June 1, 2009. Subsequent to that announcement, Tenet reported that they would need to close CHLG as of April 10 to allow for their orderly vacation of the premises and El Camino stated that they would need the hospital available to them for approximately 90 days before re-opening.

Town staff talked with the CEO's of both Tenet and El Camino to encourage the shortest closure possible and to offer whatever assistance the Town could provide to minimize the service delivery impacts on Los Gatos residents and the broader region. Both organizations committed to using their best efforts to accelerate the reopening of CHLG.

PREPARED BY: **GREG LARSON**
Town Manager

GL:pg

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Reviewed by: PSS Assistant Town Manager _____ Town Attorney
_____ Clerk Administrator _____ Finance _____ Community Development

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MAYOR AND TOWN COUNCIL

SUBJECT: PRESENTATION REGARDING THE TEMPORARY CLOSURE AND TRANSITION
OF THE COMMUNITY HOSPITAL OF LOS GATOS

MARCH 12, 2009

DISCUSSION:

It is currently anticipated that CHLG will cease all or most operations as of April 10, 2009 with a possible re-opening as early as August, 2009. Based on previous meetings, reports and discussions, staff is optimistic that CHLG will re-open as a high quality and full service hospital and medical facility that will meet the needs of Los Gatos and the broader region.

Nonetheless, the temporary closure could have significant impacts on the community and region. Most significant would be the loss of life or serious injury due to lack of public awareness about the temporary closure of the emergency room and hospital.

To assist the hospital operators in this regard, Town staff will be undertaking a voluntary public information program about the closure, including:

- Appropriate street signage changes
- Display advertising
- Bulk direct mail

The total anticipated cost is under \$20,000 and can be absorbed under Manager authority within existing appropriations.

Guest speakers have been invited to the Council meeting to present their perspectives and information on the closure and re-opening of CHLG. Those speakers include:

- Mr. Ken Graham, CEO of El Camino Hospital
- Dr. Paul Beaupre, COO & Chief Medical Officer of Good Samaritan Hospital
- Mr. Bruce Lee, Director of Santa Clara County Emergency Medical Services

Attached is information provided by each organization regarding their efforts.

ENVIRONMENTAL ASSESSMENT:

Is not a project defined under CEQA, and no further action is required.

Attachments:

1. 3/12/09 El Camino Hospital Press Release
2. 3/3/09 Santa Clara County memorandum to Board of Supervisors on closure of Community Hospital of Los Gatos
3. Good Samaritan informational post card

Distribution:

Kenneth D. Graham, Chief Executive Officer - El Camino Hospital, 2500 Grant Rd, Mountain View 94040-4378
Dr. Paul Beaupre, COO & Chief Medical Officer of Good Samaritan Hospital -- 2425 Samaritan Drive, San Jose, CA 95124
Mr. Bruce Lee, Director of Santa Clara County Emergency Medical Services -- 645 South Bascom Avenue, Suite 1P141 - San Jose, CA 95128



El Camino Hospital

THE HOSPITAL OF SILICON VALLEY

3/12/2009 - Press Release (From website)

El Camino Hospital Updates Community on Progress with Los Gatos Campus Activation - Some clinical services decisions determined for ECH 'sister' site

Mountain View, Calif., March 12, 2009 – El Camino Hospital, the hospital of Silicon Valley, today announced some of the services that will be available when the new Los Gatos location re-opens for service this summer. The Los Gatos site will offer acute care services, including emergency, medical, surgical, intensive care and labor and delivery services, as well as continuing the location's commitment to orthopedics/spine and urology. El Camino Hospital (ECH) is currently scheduled to take possession of the campus and buildings on June 1, or possibly sooner if an agreement is reached, and will need a minimum of 90 days to re-open the campus.

"We are very happy with the activation progress at this point and appreciate the great response we've received from the community" said Eric Pifer, M.D., chief medical officer, El Camino Hospital and incoming president of the Los Gatos site. "In addition to these services, we have determined our medical staff structure, and put a department structure into place for when the Los Gatos location re-opens. We will be continuing to hold medical staff meetings under El Camino Hospital's license during the closure period."

"During the coming closure period, we will be working closely with County Emergency Medical Services, Good Samaritan Hospital, and other health providers to make sure the community continues to have multiple care options available. We will also be expanding the services and availability at El Camino Hospital to minimize the impact the closure will have on the community."

Task Forces Assigned for Transitions

To help with the decision to offer labor and delivery services, the activation team met with obstetrics and gynecology physicians in the Los Gatos and Saratoga communities. A task force of physicians and clinicians is being formed to help with the transition and development of the future OB/GYN program. In addition, ECH announced that Community Hospital of Los Gatos' current orthopedics and spine department, which has received five-star ratings from HealthGrades, will also be among the services offered at the new Los Gatos campus.

El Camino Hospital to Participate in Los Gatos Job Fair

ECH representatives will be among the area hospitals participating at a job fair to be held at Community Hospital of Los Gatos on Tuesday, March 24, from 11 a.m. to 4 p.m. Tenet, the current hospital operator, is hosting the fair as part of its outplacement effort.

"We have received an overwhelming response from physicians interested in joining the ECH medical staff family – 400 and counting - and as we progress in determining all of the clinical services that will be offered, more positions will become available, so we encourage all interested health care professionals to either attend the job fair, visit us at our liaison office, or send us their resumes," said Dr. Pifer.

Liaison Office Open to Public

Questions about the Los Gatos campus, including clinical service offerings, position openings, patient and emergency care questions and others are being addressed at the new liaison office located at 825 Pollard Road, in Los Gatos. The office is set up to serve as a community resource for South Bay physicians, potential ECH employees and members of the community who have questions about the activation plans for the hospital's new Los Gatos location. The office staff are available to answer questions and provide updated information during normal business hours. Staff can also be reached by phone at 650-962-4949.

To learn more about this acquisition, please call **1-888-650-5124**.

People interested in future openings with El Camino Hospital can send resumes to hr@elcaminohospital.org with "Los Gatos" in the subject line or visit El Camino Hospital's Job Finder to view our current job opportunities. Physicians are encouraged to call the physician hotline at 650-988-7698. More information about El Camino Hospital's Medical Staff is available at www.elcaminohospital.org/medstaff.

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County of Santa Clara
Santa Clara Valley Health & Hospital System
Public Health
Emergency Medical Services



HHS01 030309

Prepared by: Bruce H. Lee
EMS Director

Reviewed by: Dan Peddycord, RN, MPA/HA
Public Health Administrator

DATE: March 3, 2009

TO: Board of Supervisors

FROM: 
Kim Roberts
SCVHHS - Chief Executive Officer

SUBJECT: Closure of Community Hospital of Los Gatos

RECOMMENDED ACTION

Hearing to consider and evaluate impacts upon the community resulting from the closure of Community Hospital of Los Gatos and its emergency-related services.

Possible action:

- a. Open public hearing and receive testimony.
- b. Close public hearing.
- c. Direct Administration to prepare and submit the final Impact Evaluation Report, including information from public testimony, to the California Department of Public Health and the California Emergency Medical Services Authority on or before March 8, 2009, in compliance with California Health and Safety Code, Division 2.5, Sections 1255 and 1300.

FISCAL IMPLICATIONS

There is no impact on the General Fund as a result of this action.

REASONS FOR RECOMMENDATION

On January 8, 2009, Community Hospital of Los Gatos (CHLG), a Tenant Hospital, gave the Santa Clara County Emergency Medical Services Agency the legally required 90-day notice that the hospital would close on April 10, 2009. Under State law, the Local Emergency Medical Services Agency must hold a public hearing and draft an impact report within 60 days of receipt describing how the closure of CHLG's emergency-related services will impact hospitals, emergency service providers, and community access to emergency care. This report must be submitted to the State Department of Public Health and the State Emergency Medical Services Authority.

At the request of Supervisor Gage, a public hearing was held at the Los Gatos Town Hall on February 19, 2009, from 6 - 8 pm. The hearing was noticed in accordance with the Brown Act and the notice was distributed through the various stakeholder groups. Approximately 20 individuals attended the hearing, with three providing oral testimony. Those presenting testimony included: a physician representative from Good Samaritan Hospital who provided a summary of activities that their facility is implementing to prepare for the closure of CHLG; a nurse manager from Community Hospital of Los Gatos stating the importance of the hospital in regard to emergency care; and the Chief Medical Officer of the El Camino Hospital District expressing general timelines related to the future services that may be available at the CHLG site.

Attached to this transmittal is the draft Impact Evaluation Report for the Closure of Community Hospital of Los Gatos, as required by the California Health and Safety Code, Division 2.5, Sections 1255 and 1300. The report will be updated with information from today's public hearing and submitted to the State by the required deadline.

BACKGROUND

Pursuant to the California Health and Safety Code, the Emergency Medical Services (EMS) Agency, a division of Santa Clara County's Public Health Department, is responsible for performing the required impact evaluation consistent with its statutory mandate to "plan, implement and evaluate an emergency medical services system...consisting of an organized pattern of readiness and response services based on public and private agreements and operational procedures."

The EMS Agency is charged with oversight of the emergency medical services system in Santa Clara County. The Emergency Medical Services System is a network of public and private organizations, regulated by the Agency. These organizations and service providers include fire, law enforcement, ambulance services, hospitals, communications centers, physicians, nurses, paramedics, emergency medical technicians, and support personnel, as well as their accompanying physical and operational infrastructure. In Santa Clara County, there are 10 fire departments, five permitted ground ambulance companies and currently 12 hospitals (11 with emergency departments). It is through this inter-dependant structure that the high quality emergency services the public has come to expect are delivered. Disrupting any part of the structure affects the entire system and it is that potential disruption that is the focus of the impact evaluation.

The impact evaluation process provides a forum for the involved parties to work collectively in communicating their concerns and fostering a collaborative approach to identify the anticipated impacts that may occur to the EMS System. The purpose of the impact evaluation is not to assess a hospital's value to the community, but to examine what affect the downgrade or closure of emergency services will have on the community and the other emergency service providers. The impact evaluation is in addition to the requirements made of the hospital to notify state and local health services,

health care service plans and the public of the planned reduction/elimination of emergency services.

Impact Evaluation Report Overview and Key Findings

The Los Gatos Community Hospital (CHLG) service area primarily consists of the cities of Los Gatos and Monte Sereno, and parts of San Jose and Campbell . Los Gatos and Monte Sereno cities are among the smallest of the 15 cities located in Santa Clara County . In the zip codes of the cities of Los Gatos and Monte Sereno (95030, 95031, 95032, 95033), there are an estimated 31,500 residents. Of the residents, 48% are male, and 52% female; 21% are under age 18 and 17% were age 65 or older. In these cities, the population is older than Santa Clara County as a whole, where only 10% of the population is age 65 or older.

According to information obtained from the California Office of Statewide Health Planning and Development (OSHPD) 2007 data, CHLG is licensed to operate and maintain 143 general acute care hospital beds (4% of the County total) of which 8 are designated as coronary care beds and 7 as intensive care beds. There are no acute psychiatric beds. Other approved services include 19 emergency medical treatment stations, or Emergency Department (ED) beds.

CHLG received 13,470 (4%) of the total number of 377,858 Emergency Department visits with 1.1% of these ED visits resulting in an admission to the hospital. CHLG received 1,105 ambulance transports from 911; this amounts to 2% of the total 68,809 ambulance transports that occurred in Santa Clara County .

The following is a summary of the key findings contained in the report:

Impact on Prehospital Services

As some ambulances may have to drive farther and take longer to reach a hospital, overall ambulance response times may increase due to extended time on task for each ambulance call. Ambulance turn-around times at hospitals (dropping patients off at the hospital) may be extended due to increased ED overcrowding and bed availability.

Impact on Hospital Emergency Services

CHLG closure may exacerbate the growing problem of emergency department overcrowding - a significant problem in Santa Clara County and throughout the nation.

Increased Emergency Department overcrowding may produce an increase in ambulance diversion. While providing temporary relief for one emergency department, diversion produces other system problems (i.e., patients are transported to other hospitals and increase the workload of those hospitals, patients' transport time is increased, patients' ability to choose a hospital is limited).

With the closure of CHLG, the remaining 10 emergency departments in Santa Clara County will have to absorb annually over 1,000 additional emergency department patients, many of which are urgent care type patients.

There are a total of five acute care facilities within ten miles of CHLG. Of these facilities, two are within five miles - Good Samaritan and Valley Medical Center . These two facilities will experience the most impact from the closure of CHLG.

Conclusion

Based on the findings in this report, it is clear that the closure of Los Gatos Community Hospital will have an impact on the delivery of emergency and urgent care services in the Los Gatos/Monte Sereno/Campbell area. The closure will have collateral impacts on the entire EMS System in Santa Clara County.

There are limited additional capacities available in certain areas within the local hospital system to absorb the loss of resources at Los Gatos Community Hospital (i.e. inpatient beds). Therefore, the impact from the loss of emergency and urgent care services will be difficult to mitigate. The County recommends that the State consider conducting a thorough review of the apparent statewide trend with hospital downgrades and closures. The State should also seriously consider the development of new mandates to assure that local communities receive longer notice and more time to plan for hospital closures.

Note: It is understood that El Camino District Hospital of Mountain View intends to purchase the CHLG property and re-open the facility as a licensed acute care hospital at some point later in the 2009 calendar year. If this intended action occurs, most if not all of the closure impacts will be mitigated.

CONSEQUENCES OF NEGATIVE ACTION

Failure to approve the recommended actions will put the County at risk of non-compliance with State law.

ATTACHMENTS

- Impact Evaluation Report - CHLG