



Lou Ann Teixeira
Executive Officer

MEMBERS

Helen Allen
City Member

Federal Glover
County Member

Martin McNair
Public Member

Dwight Meadows
Special District Member

David A. Piepho
Special District Member

Rob Schroder
City Member

Gayle B. Uilkema
County Member

ALTERNATE MEMBERS

William Bristow
Public Member

George H. Schmidt
Special District Member

Mary N. Piepho
County Member

Don Tatzin
City Member

November 12, 2008 (Agenda)

Contra Costa Local Agency Formation Commission
651 Pine Street, Sixth Floor
Martinez, CA 94553

Progress Reports - Mt. Diablo and West Contra Costa Health Care Districts

Dear Commissioners:

RECOMMENDATION

Receive and file the Mt. Diablo Health Care District (MDHCD) and West Contra Costa Healthcare District (WCCHCD) progress report.

DISCUSSION

In August 2007, the Commission accepted the Public Healthcare Services Municipal Service Review (MSR) and updated the spheres of influence of Los Medanos Community Healthcare District (LMCHD), Mt. Diablo Health Care District (MDHCD), and West Contra Costa Healthcare District (WCCHCD).

As part of the LAFCO action, the Commission required that both MDHCD and WCCHCD report back to LAFCO on progress being made with regard to key issues identified in the MSR report.

With regard to MDHCD, the Commission required an annual progress report measuring progress on programs and services that address healthcare issues and needs identified in the Contra Costa County countywide healthcare assessment. With regard to WCCHCD, the Commission required an annual progress report relating to the district's contractual and fiduciary obligations in light of the 2006 bankruptcy.

In July 2008, LAFCO staff sent letters to the districts requesting progress reports. The MDHCD responded to LAFCO's request with an update outlining various grant programs and appropriations directed toward health care services (Attachment 1). In August 2008, the District Board approved seven grants as part of the District's first Community Benefit Health Grant Program for 2008. These grants total \$126,000 and were funded with \$84,000 in John Muir Hospital funds and \$42,000 in MDHCD funds. The attached communication summarizes the approved grants.

WCCHCD provided LAFCO with a copy of the *Order Confirming Plan for the Adjustment of Debt, Fixing Effective Date of Plan, and Fixing Bar Date for Administrative Expense Claims*. Since February 2007, WCCHCD has been operating under a Joint Powers Agreement with Contra Costa County. Cooperation between the two public agencies was instrumental in obtaining State and federal assistance and grant funding from Kaiser and John Muir hospitals. These efforts were an important factor in the plan to emerge from bankruptcy.

In August 2008, the Federal Bankruptcy Court approved the District's plan to emerge from bankruptcy. The plan is the product of lengthy negotiations with creditors. The plan will allow the District to continue to provide essential services, and focus on new initiatives including upgrading cancer treatment and other patient care services.

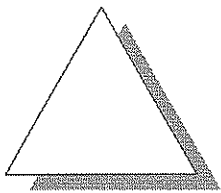
The Court Order contains a detailed plan that requires the District to establish a trust, sets forth disbursement and payment obligations, includes terms and conditions relating to treatment of claims, and executory contracts and leases and other provisions. A full copy of the Order is available in the LAFCO office.

Please contact the LAFCO office if you have questions or need additional information.

Sincerely,

Lou Ann Texeira
Executive Officer

Attachment – Letter Dated October 9, 2008 from John R. Toth, Chairman, Mt. Diablo Health Care District

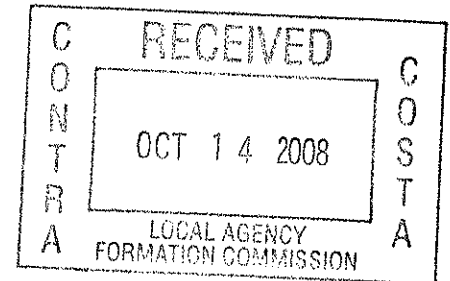


MT. DIABLO HEALTH CARE DISTRICT

We are dedicated to serving our community by promoting wellness through education, advocacy and collaboration.

October 9, 2008

Contra Costa Local Agency Forming Commission
Lou Ann Texeira / Executive Officer
651 Pine Street, Sixth Floor
Martinez, CA 94553-1229



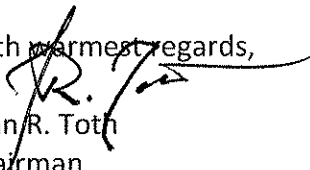
Dear Mrs. Texeira,

For approximately 10 years now the Mt Diablo Health Care District Board for a multiplicity of reasons has been a sterile body bearing no fruit. This past January I was elected chairman and wishing to augment sufficient funds to make meaningful grant funding possible I asked John Muir Health CEO, Ken Anderson if we might form a public/private partnership as the District not only lacked financial resources, but the administrative professional support as well. The John Muir Health Board agreed to provide some assistance in mentoring in the development of our community benefit health grant program. Judy Murphy was indispensable in this regard in directing us in how we might construct our own guidelines; as well as defining the process and pitfalls of grant making. All members of our board took an active part. Working together we have been able to help our communities that are in much need of assistance; and still make our own grant making decisions.

As we come to the completion of the mentoring process and JMH's assistance we would like to provide you with the following update outlining the grant recipients and appropriations of funds to each, as we near the completion of our first cycle of grant making. Report update for second cycle grant making for 2008 will be in November 2008.

As per your letter dated July 14, 2008 to Grace Ellis and pursuant to Government Code and the determinations adopted by LAFCO; your request for an annual update regarding the District's progress on supporting programs and services that specifically address healthcare issues and needs identified in the Contra Costa County's countywide healthcare assessment is enclosed. As per our agreement a report from the District in August would have been less informative as many of the determinations made by our board were made in late August 2008. I graciously appreciate your indulgence. Please see appropriations report enclosed.

With warmest regards,


John R. Toth
Chairman

Mt. Diablo Health Care District Board
Concord, CA 94520

2550 Almond AVE. SUITE #1, CONCORD, CA 94520
(925) 674-2456 WWW.MTDIABLOHEALTHCAREDISTRICT.CA.GOV
P.O. BOX 5929 CONCORD, CA 94524

TO: Lou Ann Texeira/LAFCO
FROM: Chairman Toth
DATE: October 9, 2008
SUBJECT: Appropriations of JMH & MDHCD Funds for 1st Cycle Grants

In August the District Board approved 7 grants in the District's 1st community Benefit Health Grant Program for 2008. These grants totaled \$126,000 and were funded with \$84,000 in JMH funds given for the District's grant program and \$42,000 in District funds set aside for granting in 2008. After completing this 1st grant cycle the District Board has \$85,000 left to grant in 2008, which is made up of \$56,600 in JMH funds and \$28,400 in MDHCD funds.

The attached chart summarizes the grants previously approved by the Board, JMH and MDHCD funds that combine to fund each grant, and the combined balance of funds available for granting by year-end.

-Approved a grant to Jewish Family & Children's Services in the amount of \$15,000 funded with \$10,000 in JMH funds and \$5,000 in MDHCD funds.

-Approved a grant to La Clinica de La Raza in the amount of \$50,000 funded with \$33,300 in JMH and \$16,700 in MDHCD funds.

-Approved a grant to Senior Helpline Services in the amount of \$5,000 funded with \$3,300 in JMH funds and \$1,700 in MDHCD funds.

-Approved a grant to Monument Crisis Center in the amount of \$10,000 funded with \$6,700 in JMH funds and \$3,300 in MDHCD funds.

-Approved a grant to Rehabilitation Services of Northern California in the amount of \$20,000 funded with \$13,400 in JMH funds and \$6,600 in MDHCD funds.

-Approved a grant to the Contra Costa Jewish Community Center in the amount of \$5,000 funded with \$3,300 in JMH funds and \$1,700 in MDHCD funds.

-Approved a grant to Cal-State East Bay in the amount of \$21,000 with \$14,000 in JMH funds and \$7,000 in MDHCD funds, for nursing scholarships.