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File No. 62721

**BY EMAIL (.PDF)**

Santa Clara County Local Agency Formation Commission  
70 West Hedding Street  
11th Floor, East Wing  
San Jose, CA 95110

Attention: Chairperson Pete Constant and Honorable Commissioners  
([Pete.Constant@sanjoseca.gov](mailto:Pete.Constant@sanjoseca.gov))

Re: Draft El Camino Hospital District Audit and Service Review  
May 30 Santa Clara County LAFCo Meeting, Agenda Item No. 7

Dear Chairperson Constant and Honorable Commissioners:

I am writing on behalf of the El Camino Hospital District (the "District") regarding the May 23, 2012 *Draft El Camino Hospital District Audit and Service Review* prepared by Harvey M. Rose Associates, LLC (the "Report").

Given the short amount of time between the public release of the Report and the May 30<sup>th</sup> LAFCo hearing, this letter is intended to present several of the District's higher level comments. We reserve the right to submit a more detailed comment letter prior to the expiration of the public comment period regarding this matter.

The District strongly disagrees with the Report's recommendations to have District residents give up control of the Mountain View Hospital and to begin actions towards dissolving the District if the recommended changes, that would limit the District's authority to provide its health care services, are not implemented, especially given that the Report acknowledges strong, positive results achieved under the current structure. The mandates in the Report related to the control, management and potential dissolution of a governmental agency appear unwarranted given no finding of impropriety is made related to the governance structure or finances of either the District or the El Camino Hospital Corporation (the "Hospital Corporation") related to the acquisition of the Los Gatos campus, or otherwise. Indeed, the Report finds that the Hospital Corporation is a "successful organization in a thriving healthcare market," that provides "a vital healthcare service in the community" and that the District has demonstrated "an ability to contain costs and improve[] financial performance." The Report also concludes that the District and the Hospital Corporation are "performing well" and in "good to excellent, as well as stable" financial condition. The recommendation to upset the current governance of the District and the Hospital Corporation, including the possible dissolution of the District, and the conclusion that continued contribution of taxpayer resources to the District are no longer justified, make no sense given these findings.

The following is a summary (discussed in more detail below) of our initial concerns with the Report:

- The Report fails to present information in a neutral manner and omits information that demonstrates the benefits the community derives from the District.
- The Report ignores the clear and unambiguous language of State law when it implies that the District's transfers to the Hospital Corporation may be unlawful.
- The Report ignores the corporate separateness of the District and the Hospital Corporation.
- The Report places no value on the public control of the Mountain View Hospital and would have LAFCo mandate that this vital asset to the community become private even though the Report concludes the current governance structure complies with State law.
- The various proposed mandates put forward by the Report are beyond LAFCo's authority. Rather than promoting orderly development and efficient and affordable service delivery, the Report advocates substituting the opinion of LAFCo over that of a publicly elected decision-making body in an area wholly outside LAFCo's expertise – the provision of health care services. The Report asks LAFCo to abrogate the enumerated powers of the District under the Health & Safety Code to determine what is in the best interests of the District and the people served by the District.
- The Report's dissolution findings are unlawful and unwarranted.

1. **The Report Advocates Rather than Discloses.**

We have concerns that facts are not presented in a neutral manner as would be expected in a service review or audit. For example the Report repeatedly states that the District does not "distinguish itself." The relevant metric for service reviews under the Cortese-Knox-Hertzberg Act is "effective or efficient service delivery." Gov Code § 56430(a)(7). Given that the Santa Clara County Board of Supervisors unanimously adopted a resolution on May 22, 2012 (the "County Resolution") stating that the District provides "the most cost-effective, direct use of its funds to benefit the health of our community," it is unclear what standard Harvey Rose expects the District to meet to avoid the loss of control of the Hospital Corporation or dissolution.

Setting aside the disagreement between Harvey Rose, on one hand, and the District and the County, on the other hand, regarding whether the District does distinguish itself, ultimately whether the District distinguishes itself is criticism that does not further the analysis of whether the District provides efficient or effective benefits to the community. The lack of neutrality of the

Report is also apparent in its failure to enumerate the highly valuable and effective community benefit programs funded by the District and the awards both the District and the Hospital Corporation have received for their service to the community.

The report details pages of community benefit standards applicable to health care districts or not-for-profit hospitals (Report at 4-15 to 4-18) and finds that the District and the Hospital Corporation comply with these standards. Report at 4-18. Yet, Harvey Rose finds that based on metrics that, to the District's knowledge, have never been used in another health care district service review, that the District does not distinguish itself. Report at 4-19. Harvey Rose uses this conclusion to support the loss of public control of the Hospital Corporation and dissolution of the District. Report at 6-10. Given that all of the District's community benefit programs would be put at risk if LAFCo adopts the draft Report, the District feels it is important for LAFCo and the public to be aware of the vital services the District provides to those that would otherwise have inadequate access to health care. We have attached a table of the District's community benefit program recipients from FY09 through FY11, all of which serve District residents, as well as a copy of the text of the County Resolution, so that LAFCo and the public have a better understanding of some of the benefits the District provides to its residents.

**2. The Report Incorrectly Implies that the District Violated Health & Safety Code Requirements.**

The 1992 transactions between the District and the Hospital Corporation described in the Report transferred assets greater than 50% of the District assets to the Hospital Corporation in compliance with the applicable requirements of Health & Safety Code section 32121(p). The provisions of the Health & Safety Code that the Report asserts may have been violated (*see* Report at 4-11) were added during the 1991-92 regular session and the 1993-1994 regular session of the State Legislature (including the voter approval requirement for district transfers of 50 percent or more of the district's assets referred to in the Report). These changes do not apply to "[a] district that has discussed and adopted a board resolution prior to September 1, 1992, that authorizes the development of a business plan for an integrated delivery system." Health & Safety Code § 32121(p)(4)(A). The District had discussed and adopted a board resolution prior to September 1, 1992 that authorized the development of a business plan for an integrated delivery system. As a result, with respect to transfers between the District and the Hospital Corporation, the District is exempt from the changes to section 32121(p) made between 1991-1994. Health & Safety Code § 32121(p)(4)(A). The Report seems to second guess the State Legislature by stating "it is unclear why the Legislature would exempt the District from such an important provision." Report at 4-11. Harvey Rose's skepticism does not justify ignoring the plain language of State law. The District is exempt under the clear and unambiguous language of Health & Safety Code section 32121(p)(4)(A). Recognizing this exemption, the District fought to ensure that transfers of assets by the Hospital Corporation would be subject to voter approval by requesting and obtaining the enactment of Health & Safety Code section 32121.7.

**3. The Report Discounts the Corporate Separateness of the District and the Hospital Corporation.**

The Report repeatedly recognizes that the District and the Hospital Corporation are separate legal entities. Indeed, State law permits the governance structure used by the District and the Hospital Corporation, and specifically recognizes the District and the Hospital Corporation as separate legal entities. (*See, for example*, Health & Safety Code § 32121.7). However, the Report essentially ignores that fundamental legal distinction, and states that “any activities of the [Hospital] Corporation are, by extension, activities of the District” (Report at 5-9) and repeatedly states that the District and the Hospital Corporation are indistinguishable from a governance and financial perspective. This is a fundamental inconsistency in the Report that is not legally defensible. The District agrees that consolidated financial statements for the District and the Hospital Corporation are required by accounting practices and are a standard for financial reporting for government agencies and others. However, from a legal and governance standpoint, the District and the Hospital Corporation are separate and distinct entities. There is no basis to penalize or mandate business decisions when the District is complying with the law.

**4. Mandate to Change Corporate Structure Would Decrease Transparency, Public Accountability and Efficiency.**

The Report contains no substantiated finding that the changes recommended by the Report would result in greater accountability for community service needs. Indeed, we believe the proposed changes would actually *decrease* transparency, public accountability and efficiency. The recommended changes to the Hospital Corporation’s Board would insulate it from community control as it would no longer consist of a majority of publicly *elected* board members who must be responsive to their constituents. Further, the recommended changes could result in the Brown Act no longer applying to Hospital Corporation Board meetings, which would result in reduced transparency related to Hospital Corporation operations and management, and the elimination of the requirement that the audit of Hospital Corporation finances be made publicly available.

From the District’s exit interview with Harvey Rose it was clear that, in Harvey Rose’s view, the loss of public control of the Hospital Corporation is not a LAFCo concern, thus any loss of transparency or public access to the Hospital Corporation itself is irrelevant to its recommendations. LAFCo’s consultant may not consider it important that the District, and therefore ultimately the voters of the District, control the Mountain View Hospital – but the District values that greatly, and believes that the voters of the District do as well.

**5. The Report is Not Consistent with the Cortese-Knox-Hertzberg Act.**

**a. LAFCo is an Agency With Limited Authority.**

LAFCo is an agency with specific, enumerated, powers. Gov. Code § 56375. Notably, LAFCo is only authorized to impose conditions on a local agency in limited circumstances. See, e.g., Gove Code §§ 56375(a)(5); 56376.5(c) (“This section shall not be construed as authorizing a commission to impose any conditions which it is not otherwise authorized to

impose”); 56886 (conditions that may be imposed related to reorganization). The Cortese-Knox-Hertzberg Act does not authorize LAFCo to impose conditions related to a spheres of influence (“SOI”) determination except when considering an amendment to an SOI requested by a third party. Gov. Code § 56428(e).

One of LAFCo’s primary responsibilities is to establish an SOI for local governmental agencies “to promote the logical and orderly development of areas within the sphere.” Gov. Code § 56425(a). A LAFCo is required to review and possibly update an agency’s SOI at least once every five years. Gov. Code § 56425(g). In determining an agency’s SOI, a LAFCo can consider reorganization, including dissolution, of an agency when it is found to be feasible and “will further the goals of orderly development and efficient and affordable service delivery.” Gov. Code § 56425(h); *see also* Gov. Code § 56375(a)(2)(F) (dissolution is an act of reorganization).

**b. The Report Proposes Actions Beyond LAFCo’s Authority.**

The statutory purpose of a service review is to provide the information necessary “to prepare and to update spheres of influence.” Gov. Code § 56430. The Cortese-Knox-Hertzberg Act requires a service review to include seven determinations. These include “[a]ccountability for community service needs, including governmental structure and operational efficiencies” and “[a]ny other matter related to effective or efficient service delivery . . .” Gov. Code § 56430(a)(6)-(7).<sup>1</sup> State law permits a LAFCo to assess the consolidation of government agencies, but only to the extent such consolidation “improve[es] efficiency and affordability of infrastructure and service delivery within and contiguous to the sphere of influence . . .” Gov. Code § 56430(b). In sum, LAFCo is only authorized to review the District’s SOI or reorganization to the extent such review is related to “efficient and affordable service delivery.” LAFCo’s own service review policies reflect this limitation. Santa Clara LAFCo Service Review Policies, p. 1 (“The service reviews are intended to serve as a tool to help LAFCo, the public and other agencies better understand the public service structure and evaluate options for the provision of efficient and effective public services;” service review may be used to “[r]ecommend actions when necessary, to promote the efficient provision of those services”). Given that Harvey Rose concludes that the District puts almost 100% of its funds that are not restricted by the Gann limit towards community benefit programs, and thus, in our view, is a model for efficiency, the conclusions of the Report are unfounded and unlawful.

**c. The Report Asks LAFCo to Become the District’s Manager.**

In apparently its first ever service review for a health care district, Harvey Rose appears to be acting as a management consultant, rather than providing LAFCo the information necessary to ensure orderly development and efficient and affordable service delivery. Harvey Rose

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<sup>1</sup> Harvey Rose appears to have relied on a superseded version of the law because the Report does not include all required determinations. Government Code section 56430(a)(2) requires a determination of the “location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence.” However, the Report’s statement of determination makes no such determination. Report at 5-20 to 5-21.

has prepared a service review that would substitute the opinion of LAFCo over that of a publicly elected decision-making body in an area wholly outside LAFCo's expertise – the provision of health care services. For example, the Report requires the District to stop expending its funds on capital improvements to the Mountain View Hospital and instead “divert these funds to community benefits programs” (Report at 6-4), even though the District's expenditure of funds on capital improvements to the Mountain View Hospital is fully consistent with State law and the voters' approval of a measure to tax themselves for that purpose. In addition, the Report requires that the District divert its funds from existing community benefits recipients “to other programs that more directly benefit the residents of the District” (Report at 6-4) even though the current expenditures of community benefits dollars are fully consistent with State law, and as recognized by the County Resolution, the District currently provides “the most cost-effective, direct use of its funds to benefit the health of our community” which “funds have directly helped 12,518 patients receive cost-effective primary care and dental services, avoiding inevitable emergent medical and dental crises that would require many times the funding to treat.” County Resolution.

The Report includes a mandate that, if these and other recommended actions that would limit how the District provides its health care services are not implemented, the District Board must remove the District as the sole voting member of the Hospital Corporation and change the membership of the Hospital Corporation Board to include majority representation by individuals other than members of the District Board of Directors. If this governance change is not made, the Report concludes the District should be dissolved. Report at 6-10.

To be clear, the District welcomes the opportunity to consider recommendations for how it could best serve the District and further increase transparency. But imposing mandates that abrogate powers of the District given by its enabling legislation is an unauthorized imposition of a condition and unrelated to the affordable or efficient provision of health care services. Gov. Code §§ 56425(h); 56430(a)(6)-(7).

**d. The Report Would Have LAFCo Usurp the Powers Granted to a Publicly Elected Board Even Though Current Operations are Authorized by Law.**

The Report also separately mandates that “if the [Hospital] Corporation continues to purchase property outside of the District boundaries” the District must give up control of the Hospital Corporation or face dissolution. The justification for this requirement is not stated by Harvey Rose. Perhaps it is based on Harvey Rose's assertion that, because the Hospital Corporation has received funds from the District specifically to support the El Camino Mountain View Hospital, that all Hospital Corporation revenues, including any revenues not received from the District, must be spent within the District boundaries. We note that this proposed limitation mirrors legislation vetoed by Governor Schwarzenegger, SB 1240 (Corbett, 2010). This legislation would have, with certain exceptions (including one applicable to the Hospital Corporation), required all revenues generated by a health care district facility or facilities that are operated by another entity, to be used exclusively for the benefit of a facility within the geographic boundaries of the district and owned by the district. The Governor's veto message stated that existing law already provided for balanced safeguards, and that the bill would have “disrupt[ed] the balance between local discretion by local elected officials and state policy for assuring access to health care.” If LAFCo approves the Report, it

would be taking the position that it has the ability to impose conditions on health care districts that was proposed by the Legislature but rejected.

The Report also ignores that the Los Gatos campus, and the dialysis service centers that have been in operation for approximately 20-years, are owned and operated by the Hospital Corporation and not the District. As stated above, the Report's conclusion that "any activities of the [Hospital] Corporation are, by extension, activities of the District" (Report at 5-9) is not legally defensible or consistent with the Report's recognition that the Hospital Corporation and the District are separate legal entities. But even assuming, for the sake of argument, that the Hospital Corporation's actions are, by extension, actions of the District, the District itself has the right to own and operate health care facilities within and without the limits of the District. Health & Safety Code section 32121(c) specifically provides that a health care district has the power to:

purchase, receive, have, take, hold, lease, use, and enjoy property of *every kind and description within and without the limits of the district*, and to control, dispose of, convey, and encumber the same and create a leasehold interest in the same for the benefit of the district, [emphasis added]

and Health & Safety Code section 32121(j) specifically provides that a health care district has the power to:

establish, maintain, and operate, or provide assistance in the operation of, one or more health facilities or health services, including, but not limited to, outpatient programs, services, and facilities; retirement programs, services, and facilities; chemical dependency programs, services, and facilities; or other health care programs, services, and facilities and activities *at any location within or without the district* for the benefit of the district and the people served by the district. [emphasis added]

The Report would essentially take away the enumerated powers of the District under these provisions of the Health & Safety Code to determine what is in the best interests of the District and the people served by the District, rather than leaving that decision where it belongs, with publicly *elected* District board members who must be responsive to their constituents.

The Report's mandate that the District no longer exercise rights that it is specifically empowered to exercise under the enabling legislation for health care districts is improper and there is no precedent or authority that supports such a mandate. We also believe that implementing the requirement that the District give up sole voting membership of the Hospital Corporation would require confirmation by the voters of the District under the Health & Safety Code, which issue is not identified or considered in the Report at all. *See* Health & Safety Code § 32121.7.

e. **The Report's Dissolution Findings are Unlawful and Unwarranted.**

LAFCo does not have the power to impose conditions on the District or mandate how the District should exercise its discretion. It is one thing for LAFCo to make recommendations related to the seven determinations required in a service review, but when those recommendations become mandates that the District cede its rights and powers granted by the State Legislature on threat of dissolution, LAFCo would be exceeding its authority. As explained above, LAFCo is only authorized to self-initiate reorganization action such as dissolution if it "will further the goals of orderly development and efficient and affordable service delivery." Gov. Code § 56425(h). However, dissolution is threatened in the Report, not to further the efficient and affordable delivery of health care services, but to be used by LAFCo as a hammer, if the District does not acquiesce to the Report's demands.

The Cortese-Knox-Hertzberg Act provides no authority for LAFCo to threaten local agencies with dissolution if an agency does not permit LAFCo to substitute LAFCo's judgment for that of the agency with respect to matters unrelated to the efficient and affordable delivery of services. Instead, dissolution must *further* the affordable and efficient delivery of health care services. The Report fails to explain how dissolving the only health care district in Santa Clara County would improve access to health care services.

The District provides invaluable community benefits related to health care, and dissolution of the District would result in the community being denied access to needed medical services without any reduction in taxes to the District residents. This is because any successor agency would not have a legal mandate to use its increased tax allocation for health care purposes. Further, the Report's findings that the District and the Hospital Corporation no longer needs taxpayer support is beyond the role of LAFCo in determining an appropriate sphere of influence.<sup>2</sup> Any decision of whether taxpayer dollars should be redirected from health care services is reserved to the State or the voters of the District.

Given that the Report concludes that the District and Hospital Corporation are well managed and valuable assets to the community, the Report's recommendation of dissolution if the District does not accede to all of the Report's demands appears completely unnecessary and should be rejected. At the very least, the findings required to dissolve the District should not be made

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<sup>2</sup> We also question the appropriateness of the Report's concluding that the sphere of influence or boundaries of the District should not be expanded, despite an explicit recognition that such expansion would better reflect the Mountain View Hospital's service reach into surrounding communities. Harvey Rose appears to be playing two sides of a coin. It complains that the District and the Hospital Corporation provide services to "non-District residents, who are not taxed" (Report at 6-10) but also argues against expanding the SOI because it result in "[a]dditional taxpayers, *who already have access to Mountain View Hospital services,*" would be taxed. Report at 6-6 (emphasis added). These two arguments appear irreconcilable. It should be noted that the Hospital Corporation does not deny service to anyone based on their location of residence or ability to pay.



unless and until LAFCo has actually determined to initiate dissolution proceedings.<sup>3</sup> In addition, the Report fails to disclose the requirement in Gov. Code section 57103 that any LAFCo resolution ordering dissolution of a health care district is subject to confirmation of the voters, which requirement was not eliminated or modified by California Assembly Bill 912, which implemented changes to Gov. Code section 57077 only.

**6. LAFCo Should Not Adopt the Report's Recommendations Regarding Corporate Restructuring or Dissolution.**

We urge LAFCo to not adopt the Report's recommendations regarding corporate restructuring or dissolution so that the Report better reflects the purpose of a service review and LAFCo's authority. Finally, since there is no immediate recommendation of initiating dissolution proceedings, we respectfully request that LAFCo not adopt any of the dissolution findings contained in the Report. Dissolution proceedings have not been initiated, thus it is premature to adopt findings related to such proceedings before an adequate record has been developed. The District intends to zealously defend its autonomy to determine how to continue to provide "the most cost-effective, direct use of its funds to benefit the health of our community" and manage its operations. We look forward to working with LAFCo to address our concerns.

Sincerely,



Gregory B. Caligari

Attachments  
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<sup>3</sup> We have significant concerns regarding all of the dissolution findings in the Report. For example, we note that the finding for whether dissolution would promote public access and accountability is circular. The Report simply finds that if there were no longer a District then public access and accountability would be moot. This ignores whether dissolution would *promote* public access and accountability. It also makes the requirement to make such a finding a nullity, effectively stripping it from the statute, because *any* LAFCo could make the same finding to dissolve *any* agency without consideration of *any* agency-specific facts. This makes the Report's findings completely arbitrary.

cc: (by email)  
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Attachment 1

El Camino Hospital District Community Benefit Recipients FY09-FY11

<b>FY09- FY11 Community Benefit Grants Distributed</b>	<b>FY09</b>	<b>FY10</b>	<b>FY11</b>
Alzheimer's Association	\$40,000	\$0	\$60,000
American Red Cross	\$0	\$0	\$10,000
Cancer Support Community (Wellness Community)	\$0	\$50,000	\$50,000
Columbia Neighborhood Center	\$55,200	\$55,200	\$76,400
Community Health Awareness Council	\$100,000	\$100,000	\$100,000
Community Service Agency- Mountain View	\$100,000	\$130,000	\$113,761
Concern to Community Benefit transfer	\$1,268,275	\$1,884,171	\$1,775,872
Cupertino Union School District	\$52,000	\$66,846	\$53,117
Eating Disorders Resource Center	\$10,000	\$12,500	\$15,000
Healthcare Foundation of Northern & Central CA- New Directions Program	\$30,000	\$60,000	\$90,000
Healthcare Foundation of Northern & Central CA- Medical Respite Program	\$20,000	\$25,000	\$25,000
Health Teacher	\$0	\$78,322	\$9,375
Lucile Packard FND - Mobile Adolescent Health Services	\$64,000	\$65,000	\$71,500
Mayview Community Health Center	\$100,500	\$109,000	\$111,000
Momentum for Mental Health (services & medication)	\$0	\$124,711	\$210,539
Mountain View-Whisman School District	\$100,000	\$175,500	\$198,099
National Alliance on Mental Health- Peer PALS Program	\$0	\$0	\$2,917
Pathways Hospice Foundation	\$25,000	\$25,000	\$25,000
Playworks	\$0	\$82,500	\$82,500
Santa Clara Family Health Foundation- Healthy Workers	\$0	\$50,000	\$0
Sunnyvale Community Services	\$50,000	\$105,000	\$75,000
Sunnyvale School District	\$127,000	\$290,500	\$171,230
The Health Trust- Children's Dental Center	\$12,000	\$0	\$300,000
West Valley Community Services	\$0	\$36,000	\$59,000
Valley Medical Foundation- Valley Health Center Sunnyvale	\$0	\$1,236,000	\$1,236,000
<b>SUBTOTAL GRANTS</b>	<b>\$2,153,975</b>	<b>\$4,763,250</b>	<b>\$4,921,310</b>

<b>FY09- FY11 Community Benefit Sponsorships Distributed</b>	<b>FY09</b>	<b>FY10</b>	<b>FY11</b>
Admark	\$0	\$0	\$1,399
Aging Services Collaborative (The Health Trust)	\$0	\$0	\$500
AIDS Coalition of SV	\$2,500	\$0	\$0
Alzheimer's Association	\$16,267	\$19,000	\$5,000
American Red Cross	\$15,000	\$35,000	\$0
Breast Cancer Connections	\$0	\$5,000	\$0
Cancer Support Community (Wellness Community)	\$0	\$0	\$20,000
City of Mountain View Senior Center	\$0	\$0	\$1,987
Coda Alliance- Annual Compassionate Care Conference	\$0	\$1,000	\$0
Community Health Awareness Council- Outlets	\$10,000	\$10,000	\$0
Community Health Partnership Health Forum	\$0	\$4,900	\$0
Community Services Agency- Mountain View	\$15,000	\$12,500	\$10,000
Congregation Shir Hadash Healthy Living Fair	\$2,500	\$2,500	\$0
DeAnza College- Clinical Lab Scientists Internship Program	\$0	\$10,000	\$10,000
DeAnza College- Medical Lab Technicians Internship Program	\$0	\$10,000	\$10,000
ECH Life Builders	\$1,028	\$0	\$0
El Camino YMCA of Silicon Valley	\$6,500	\$0	\$2,500
Foundation of American College	\$5,000	\$0	\$0
Green Town Los Altos	\$0	\$1,000	\$0
Health Screenings (Baysport)	\$0	\$3,264	\$0
Healthy Silicon Valley	\$1,000	\$0	\$0
Juvenile Diabetes Research Foundation	\$1,000	\$0	\$0
Kids in Common Children's Summit	\$0	\$5,000	\$0
K.I.D.S. 5K Run/Walk Fun	\$0	\$0	\$300
Leadership Mountain View	\$0	\$0	\$2,500
Los Altos Community Foundation	\$1,000	\$0	\$0
Los Altos Rotary AIDS Project	\$0	\$2,500	\$2,000
MidPeninsula Media Center	\$5,000	\$0	\$0
Mountain View Police Activities League	\$0	\$2,500	\$1,000
Mountain View Senior Center	\$0	\$0	\$1,987
National Kidney Foundation	\$2,500	\$0	\$0
Pathways Hospice Foundation	\$26,600	\$25,000	\$25,000
Peninsula Stroke Association	\$7,500	\$2,500	\$5,000
Playworks- Sports for Kids	\$1,500	\$1,000	\$5,000
RotaCare Bay Area	\$0	\$5,000	\$0
Santa Clara Family Health Foundation- Healthy Kids	\$10,000	\$5,000	\$10,000
Saratoga Senior Center	\$75	\$2,000	\$0
Self Help for the Elderly	\$0	\$0	\$500
Silicon Valley Leadership Group	\$0	\$2,000	\$0
Sunnyvale Community Services	\$5,000	\$0	\$0
Sunnyvale Senior Center- City of Sunnyvale	\$250	\$2,000	\$1,000
The Health Trust	\$15,000	\$500	\$0
VMC Foundation	\$0	\$20,500	\$10,500
<b>SUBTOTAL SPONSORSHIPS</b>	<b>\$150,220</b>	<b>\$189,664</b>	<b>\$126,173</b>
<b>TOTAL GRANTS AND SPONSORSHIPS</b>	<b>\$2,304,195</b>	<b>\$4,952,914</b>	<b>\$5,047,483</b>

<b>FY09- FY11 Community Benefit Government Means Tested Distributed</b>	<b>FY09</b>	<b>FY10</b>	<b>FY11</b>
Santa Clara Family Health Foundation- Healthy Kids	\$75,000	\$100,000	\$75,000
<b>TOTAL GRANTS, SPONSORSHIPS &amp; Means Tested</b>	<b>\$2,379,195</b>	<b>\$5,052,914</b>	<b>\$5,122,483</b>
<b>Final total after Adjustments</b>	<b>\$2,379,195</b>	<b>\$5,112,914</b>	<b>\$5,039,698</b>

Attachment 2

**Text of County Resolution  
(Unanimously adopted by Santa Clara County Board of Supervisors on May 22, 2012)**

**WHEREAS**, Santa Clara Valley Medical Center is dedicated to the health of the whole community, providing a comprehensive health care system which includes an established network of community clinics known as Valley Health Centers. Valley Health Centers ensure that residents have access to vital primary care, laboratory, radiology, dental care, behavioral health care and pharmacy services in their neighborhoods; and

**WHEREAS**, cuts in California's state budget have resulted in reductions in coverage for critically important preventive services for Santa Clara County residents using Medi-Cal, and many more people have recently been left without health care coverage due to recent economic constraints across the country; and

**WHEREAS**, El Camino Hospital District has as its mission to address the unmet health needs of its community, and has over the past three years donated \$3,814,000 to underwrite otherwise un-funded services at Valley Health Center Sunnyvale. These funds have directly helped 12,518 patients receive cost-effective primary care and dental services, avoiding inevitable emergent medical and dental crises that would require many times the funding to treat; and

**WHEREAS**, the partnership between El Camino Hospital District and Santa Clara Valley Medical Center is a model of collaboration between a public health system and a non-profit hospital district to meet their shared goal of improving our community's health. El Camino Hospital and Santa Clara Valley Medical Center have been developing programs and support systems as part of readying the County for health care reform. An important element of the partnership is fully developing the "medical home" model in which all care is provided in one place.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Supervisors of the County of Santa Clara, State of California does hereby honor and commend El Camino Hospital District for its dedication to the health of the people of Santa Clara County and the partnership it has undertaken to make the most cost-effective, direct use of its funds to benefit the health of our community.

**PASSED AND ADOPTED** this Twenty-Second Day of May, Two Thousand Twelve, by unanimous vote.

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George M. Shirakawa  
President, Board of Supervisors

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Mike Wasserman  
Supervisor, District One

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Ken Yeager  
Supervisor, District Four

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Dave Cortese  
Supervisor, District Three

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Liz Kniss  
Supervisor, District Five

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Lynn Regadanz  
Interim Clerk, Board of Supervisors