

Joint hospital effort at risk

***Palm Drive, other small
hospitals need cash to
work on new alliance***

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Despite requests for infusions of cash to maintain its solvency, North Coast Integrated Health (NCIH) may have come to the end of its fiscal rope.

NCIH is a 501c(3) organization that works at the behest of the Joint Powers Authority (JPA) with a mission to "further the integration of Healthcare Services within Sonoma County and to strengthen the competitive position of affiliates and member organizations," including Sonoma Valley Health Care District, Healdsburg District Hospital, Palm Drive Hospital, and Mendocino Coast District Hospital.

As of mid-February, NCIH had \$25,913 to draw on for expenses, but according to Tom Birdsell who is a member of the Mendocino Coast Health Care District Board of Directors and Treasurer of the JPA there is only \$4,000 left in the bank with another \$10,000 that has been pledged by the Healdsburg District

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Hospital.

But the financial woes of the NCIH have been a matter of contention since a February meeting of the Palm Drive board of directors exposed differences in the way NCIH is perceived. Some, such as Palm Drive board member Nancy Dobbs, see NCIH as a valuable resource that will take the Sonoma County community health into the future, while others believe that "it's too early for NCIH" and that it's "sucking up money."

At the time of the February meeting, the JPA had requested \$10,000 from each of the four hospitals to cover NCIH expenses until a \$716,000 grant comes in at the end of May.

Palm Drive's board pledged its support for the funding and the other hospital districts all came on board as well, despite the financial travails each district has suffered. In the following Palm Drive board meeting though, the offer of cash was rescinded and changed to an "in kind" donation in the form of staff and services.

Palm Drive Hospital is still staggering under the weight of Chapter 9 bankruptcy and didn't have the cash readily

available.

On Tuesday night the JPA board convened at Palm Drive Hospital to discuss the matter.

In another contentious meeting that was meant to cover JPA issues, the board voted 5-2 to provide additional funding to NCIH, with Palm Drive interim CEO Lori Austin and Healdsburg District Hospital CEO Evan Rayner voting no.

A recently released financial report indicates that "NCIH will not be able to continue operations unless additional grants and donations are obtained," and that "significant working capital must be committed by member District Hospitals to fund ongoing operations until a grant for the California Endowment Fund is filed and ultimately rewarded."

The JPA was formed last year so that the four area hospitals could pool resources to maximize buying power, share information via a proposed electronic medical records system, and help in the hiring and retention of physicians and staff.

The NCIH is an entity that is meant to implement the JPA's agenda, but as yet it's not clear how or if that will happen.