

RESPONSE TO GRAND JURY REPORT

Report Title: Marin General Hospital: Moving Beyond the Impasse (Continued)
Report Date: May 2, 2005
Response By: Archimedes Ramirez, MD; Lawrence Arnstein, MD, Directors, MHD

FINDINGS

We agree with the findings numbered: F1, F3, F4

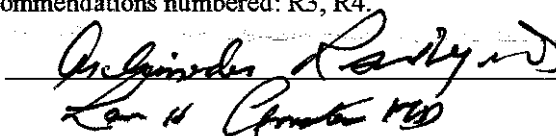
We disagree wholly or partially with the findings numbered: F2, F5-F7.

We agree with recommendations numbered: R1 and R2.

We disagree wholly or partially with recommendations numbered: R3, R4.

Date: July 2, 2005

Signed:



Number of pages attached, including this cover page: 2

- F1** MGHC/Sutter issued Sutter's Ultimatum in January 2005, giving MHD less than four weeks to respond. MGHC/Sutter was under a cloud with respect to quality of care. The continuing failure to meet the standards required for Medicare reimbursement and the two staff deaths from drug overdose were extraordinary black eyes at that time.

Response. MGHC/Sutter continues to fail to meet standards of care. After the Grand Jury report was issued, the Center for Medicare and Medicaid Services (CMS) released several reports. They found MGHC/Sutter had violated health and safety codes for pharmaceutical services related to the deaths of the two employees, and cited them for multiple instances of irregularities regarding access to controlled substances. At least three investigations are ongoing, involving more patient deaths. To date, MGHC/Sutter has been cited for 425 violations of health and safety code. An independent analysis found that our hospital was among the 15 high volume hospitals in California with the most deficiencies when adjusted for number of discharged patients. Among those 15 were two other East Bay Sutter hospitals that also are the subject of ongoing investigations. The violations are not trivial. As the Lewin group said at the District's special June meeting, "Deficiencies in patient care, patient safety and departmental functioning found . . . by external government inspection overwhelm any of the other findings."

- F2** The composition of the MHD Board appears to be such that the Board, when viewed in the aggregate, can operate with an open mind, with two MHD Board members solidly in the anti-Sutter camp and another MHD Board member solidly in the pro-Sutter camp. Neither camp has a clear majority.

Response. Our view is that the Board composition is divided differently than the Grand Jury found. Specifically, in our view, the Board has two board members solidly in the anti-Sutter camp, two solidly in the pro-Sutter camp, and a third swing vote.

- F5 Contrary to the response provided by the MHD Board to the 2003-2004 Grand Jury report, it seems that the MHD Board is proceeding to formulate a strategic plan in advance of entering into a new lease (or lease extension) with MGHC/Sutter.

Response. Entering into a new lease (or lease extension) with MGHC/Sutter are among a number of alternatives the Board is considering. Not all options include continuing with Sutter management.

- F6 The MHD Board has taken or is in the process of taking the recommendation of the 2003-2004 Grand Jury to employ consultants to assist it in understanding the issues that are important to the future of MGH and to develop a strategic plan needed for the long term. However, it is not clear that all relevant issues, such as quality of healthcare, analysis of the financial relationship between MGH and Sutter, and availability of potential replacement hospital management are being addressed.

Response. The Grand Jury is inaccurate in this regard because the process the Board has begun is not a result of the Grand Jury's previous reports or investigations. The process began well before the Grand Jury made its 2003 report. In fact, the Board began a planning process several years ago, the results of which are only now becoming known to the public. Further, the scope of consultants that have been hired to date include all the areas identified, plus others not specified. While the Board is in agreement that this process must be done, it is not in agreement as to what should be done.

- F3 The MHD Board eventually acquired from MGHC/Sutter a commitment for \$500,000 to be used to develop and evaluate options regarding the future of MGH (the revised agreement).

- F7 The Marin County Board of Supervisors has taken steps to make both consulting and financial assistance available to the MHD Board.

- R4 That the Board of Supervisors proactively assist the members of the MHD Board to successfully complete recommendations R1 to ~~R3~~, including making available both expertise and money if needed by the MHD Board ^{R3 00}

Response. Our view is that accepting consulting and financial assistance from MGHC/Sutter and the Board of Supervisors ought to be sought as gingerly as one approaches a scorpion. The MHD is an independent public board. Consulting should be independent of the Board of Supervisors or MGHC/Sutter. Whoever controls the consulting purse strings controls the outcome. That is why we opposed getting help from MGHC/Sutter. Our fears have been manifested in the fact that all consultants hired before last week have long track records with Sutter, despite our best efforts to obtain independent consultants. In the long run, those consultants hope to obtain future business from Sutter. They are less likely to receive much business in the future from the District.

- R3 That each member of the MHD Board abandons his/her long-term biases, acts with an open mind and defers making final decisions until sufficient information is procured and processed.

Response. We ran for election with the publicly stated purpose of restoring local control of the District's publicly owned but privately leased hospital. We arrived at the position that this was the right thing to do based on our experiences over many years, as physicians at the hospital, watching what happens to patients when Sutter manages the hospital. Given what we have seen, what we have learned, and the faith the voters have placed in us, abandoning our promise to do everything possible to restore local control of MGH would be to abandon our oath as elected officials and as physicians to promote the health and welfare of the residents of the District and would violate the oath we took as physicians to do no harm. Our goal is clear and unambiguous. What is open to us is the best way to achieve it.