Governor Signs Bill for Doctor's Hospital Aid

Legislation gives reprieve for region's busiest emergency room, hospital.

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Moments before a midnight legislative deadline Sunday night, Gov. Jerry Brown signed a bill designed to help keep Doctors Medical Center doors open for years to come.

SB 644, authored by state Sen. Lori Hancock, D-Oakland, will provide financial guarantees to lenders—a necessary measure that officials say will help the San Pablo hospital pay off a nearly $20 million debt and avoid closure.

"As a result of this new law, tens of thousands of East Bay residents will continue to have access to high quality medical care," Hancock said in a statement.

The hospital serves mostly Medi-Cal and Medicare patients and is West Contra Costa's only full-service emergency room facility, providing additional care for heart attack and stroke victims that are not offered at the nearby Kaiser Permanente Medical Center in Richmond, said Contra Costa County Supervisor John Gioia.

The supervisor, who also chairs the medical center's governing board, said that closing the hospital would be devastating for area residents and would heavily burden other nearby hospitals.

Gioia cited a study released by Contra Costa County Emergency Medical Services this summer that concluded that closing DMC would cause significantly longer wait times and overcrowding at other area hospitals.

"Stand-alone urban hospitals with a challenging payer mix have a difficult time surviving, which is why the additional help has been very important to this hospital surviving," he said.

In addition to plans to seek financing from various lenders, hospital officials hope to sustain funding with a local parcel tax that will be up for voter approval in November. The tax would be assessed on residential, commercial and industrial properties in the hospital district that covers areas from El Cerrito to Crockett. Homeowners would pay $47 per year. The tax would expire in
the even that the hospital is forced to close. The proposed new tax would be in addition to an existing $52 annual parcel tax.

Earlier this year, the medical center lost about $11 million in state funding with the passage of the state budget. The medical complex also needs significant seismic retrofit work to sustain it for the long term.

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