

# EDEN TOWNSHIP HEALTHCARE DISTRICT 2014 ANNUAL REPORT



**Eden Township  
Healthcare District**

Investing In The Health Of Our Community

## Mission Statement

The mission of the Eden Township Healthcare District is to improve the health of the people in our community by investing resources in health and wellness programs that meet identified goals.

## History

The Eden Township Healthcare District (“Eden District”) has operated continuously since 1948, when it was established. It was started to meet the healthcare needs of the residents, who needed hospital beds in the forties and fifties as populations grew all over California.

In 1954, Eden Hospital opened its doors and grew to be successful in meeting the community’s needs for over 40 years. In 1998, the Board of Directors, recognizing current trends and facing significant capital to meet new California seismic standards, sought partners who operated a number of hospitals and chose Sutter Health after a search of many months and from three finalists. The voters of the District approved a sale of Eden Hospital and its assets to Sutter Health and the District turned its attention to other healthcare needs in the Community.



The California legislature, recognizing this trend, changed the “hospital district” law to the “healthcare district” law in 1994 since more and more care was being delivered outside the hospital walls and changing lifestyles was increasingly seen as a way to improving health.

The Eden District, after doing some research and planning by the Board, chose to invest in improving the health of the community by funding entities that served people in the community who were unable to access primary care in the normal way and ended up in hospitals when their conditions were not attended to early. Eden District also funds programs that help improve health, by diet and exercise and consumer education on staying healthy and by reducing use of the healthcare system by better managing chronic conditions like diabetes, hypertension and obesity.

The Eden District did all of this leveraging its corpus, the assets acquired by the sale of Eden Hospital in 1998.

**1998 - 2008:** Since 1998 and until 2008, the Eden District provided funding for health promotion and clinics of nearly \$8 million in the form of grants to local providers who served the residents of the Eden District. The current population of the Eden District is about 350,000 people.

In 1998, the Eden District reached an agreement with Sutter Health to build a replacement hospital for Eden Medical Center to meet seismic standards in California for decades to come. The new Eden Medical Center opened its doors in December 2012.



During this period from of first exploration, then planning and finally building a new hospital to replace Eden Medical Center, it became apparent that Laurel Grove Hospital, serving as the Rehabilitation Hospital had to be torn down to provide parking and space for the new facility. So, the Eden District acquired San Leandro Hospital in July 2004 and immediately leased it to Eden Medical Center (Sutter Health) to operate. The lease required Sutter Health to operate San Leandro Hospital as an acute general hospital, with an Emergency Department at the earliest until July 1, 2007. After that, Sutter Health could continue the lease, return the Hospital to the Eden District or purchase it based on a pre-determined formula. Sutter Health could also convert the Hospital into a Rehabilitation Hospital with some outpatient services. The amended and restated lease of 2008, continued these terms until July 1, 2009 until July 1, 2010.

**2009 - Present:** Under the agreement, Sutter Health exercised its option to purchase San Leandro Hospital in October 2009. The Eden District refused to comply, because the community around San Leandro Hospital expressed concern in public meetings that the Hospital would be closed or at least lose emergency services, if Sutter Health purchased the Hospital. Sutter Health sued the Eden District to perform under the amended lease agreement and the Eden District counter-sued to establish that the amended lease was invalid on the grounds that some of the parties negotiating the 2008 agreement had conflicts of interest which would negate the deal. These legal issues went to arbitration and eventually to the courts and were appealed all the way to the California Supreme Court. Sutter Health prevailed and the Eden District turned over title to San Leandro Hospital in September 2012. Sutter Health subsequently won a damages and court costs claim which left the District owing an award of \$17 million in damages, \$1.65 million in court costs and interest on these amounts.

In October 2013, Sutter Health turned over the assets and title to San Leandro Hospital to the Alameda Health System to be operated as it chose. Until now, San Leandro Hospital has been operating as before, as an acute general hospital.

From June 2014 until May 2015, the Eden District and Sutter Health had been negotiating to find a way to satisfy the damages award by selling some of its assets to Sutter Health in exchange for consideration by way of a discounted settlement of the damages and costs award. These talks ended in a stalemate and the Eden District filed a hardship motion in the Superior Court in Alameda County. On June 17, 2015, Judge Kimberley Colwell granted the Eden District's hardship motion giving the Eden District time to pay the damages and costs award over ten

years of equal installments with simple interest based on the 1-Year Treasury Bill as of January 1 of each year.

## **Grants and Sponsorships**

With the exception of one year (2010-2011), the Eden District has continued to fund local organizations that help the Eden District meet its mission of improving the health of the community. In the fiscal year July 1, 2013 to June 30, 2014, the District provided the following grants and sponsored events supporting the following organizations. A brief summary of the programs' goals is also included.

### **Eden I & R, Inc.**

#### ***2-1-1 Alameda County Communication System***

2-1-1 Alameda County is a toll-free, 24/7 phone service that provides callers with information and referrals to health, housing, and human services in more than 150 languages. The easy to remember three-digit number enables individuals and families in need to make a critical connection with the appropriate community based organizations and government agencies. 2-1-1 simplifies how people learn of, and connect to, appropriate resources by rigorously training its staff to know area services and to understand the unique and often dire situations faced by its callers. The funding provided by the Eden Township Healthcare District will be used to serve the Eden Area residents by providing updated health-related service information and referrals.

**Grant Awarded: \$10,000**

### **George Mark Children's House**

#### ***Pediatric Palliative Care for Children with Life-Limiting Illness and Their Families***

George Mark Children's House was founded in 2004 as the first freestanding, independent pediatric palliative care facility in the United States. They provide life-enhancing medical care and family support for children with illnesses that modern healthcare cannot yet cure, and for those with complex medical issues. GMHC offers the same, top-notch medical care as a hospital, but in the comfort and warmth of a home-like setting. GHCH's model of pediatric palliative care promotes greater health, wellbeing and quality of life for both the child and family, for as long as possible, often beyond the generally accepted prognosis.

**Grant Awarded: \$7,500**

### **San Leandro Unified School District**

#### ***Health Education Action Team (HEAT) Program***

Through a partnership with the Student Health & Wellness Center, they will recruit and train high school students to become Peer Educators and Navigators. Peer Educators will identify, develop and facilitate health-related presentations/projects for their peers and will focus on topics such as body image, drug use, cyber-bullying and sexuality. Navigators will inform their peers and the community of the medical, dental, behavioral health, health education, youth empowerment and family resource services available through the Student Health & Wellness Center.

**Grant Awarded: \$10,000**

### **La Clinica de La Raza, Inc.**

#### ***Comprehensive Health Services for Eden Area Youth***

La Clinica de La Raza is a Federally Qualified Health Center that has provided integrated health services to youth since 1997. La Clinica's San Lorenzo High Health Center provides students with critical preventative/primary medical services, behavioral health, health education services, and community based health education promotion.

**Grant Awarded: \$25,000**

**San Leandro Boys & Girls Club**

***Healthy Choices, Healthy Habits Garden-Nutrition-Cooking Program***

The Healthy Choices, Healthy Habits Garden-Nutrition-Cooking Program at the San Leandro Boys & Girls Club addresses the issue of obesity among children by helping them make healthy choices that will lead to healthy habits. The program provides weekly after school classes in gardening, nutrition and cooking. Their goal is to help students and parents understand the role of food in fighting obesity.

**Grant Awarded: \$15,000**

**CALICO Center**

***Building Resiliency: Family Support Services for Abused Children***

CALICO's Building Resiliency project will improve the mental health outcome for toddlers, children and teens, as well as adult victims with developmental disabilities, who have suffered abuse. CALICO also provides services that include education and support to caregivers in their efforts to provide full and appropriate support to their victim child.

**Grant Awarded: \$20,000**

**Mercy Retirement & Care Center**

***Mercy Brown Bag Program***

Mercy Brown Bag Program helps low-income seniors in Alameda County maintain their health through the distribution of nutritious groceries, twice a month, free of charge. The groceries fight malnutrition thereby preventing serious health problems. Helping fixed-income seniors stretch their food budget enables them to afford their full dose of medicine or other health care costs. Additionally, seniors have access to an array of health and social services designed to improve their health and well-being while increasing socialization and exercise. Nutrition classes are also offered.

**Grant Awarded: \$7,500**

**Spectrum Community Services**

***Access to Fall Prevention Services for Frail Seniors***

Spectrum's Fall Risk Reduction Program prevents falls among at-risk Eden Township Healthcare District seniors, thus improving health outcomes and preventing expensive hospitalization. The program's multi-level interventions address the biological, behavioral and environmental risk factors that contribute to falls. The program's interventions address the biological, behavioral and environmental risk factors that contribute to falls, providing: 1) training to build strength, mobility, balance and fall prevention skills; 2) guidance and referral to home safety modifications that can prevent falls; and 3) education in fall prevention strategies.

**Grant Awarded: \$25,000**

**La Familia Counseling Service**

***Wellness First***

Provides on-site early intervention and mental health services to English as a Second Language and transitional age youth. La Familia is a community based mental health organization serving South, Central and East Alameda County's multi-cultural communities with a focus on clients of limited means and access to mental health and social services, as well as to those with developmental disabilities.

**Grant Awarded: \$12,500**

**SOS/Meals on Wheels**

***Volunteer Program Expansion***

Meals on Wheels prepares and delivers meals and provides daily check in visits for at-risk seniors so that they can continue to live independently at home for as long as safely possible. Their mission is to promote nutritional health, decrease the possibility of premature institutionalization, and foster and support independence and the dignity of homebound seniors

by enhancing their quality of life.

**Grant Awarded: \$20,000**

**East Bay Agency for Children**

***Child Assault Prevention Training Center: Eden Area Prevention and Mental Health Project***

Provides violence prevention workshops for children, youth, caregivers, teachers and school administrators at high risk San Leandro Schools. Their current programs include student and family support services, specialized therapeutic and educational classes, and school and community based prevention programs.

**Grant Awarded: \$12,500**

**Tiburcio Vasquez Health Center, Inc.**

***TVHC Outreach and Enrollment Project***

Tiburcio Vasquez Health Center, Inc. (TVHC) is dedicated to promoting the health and well-being of the community by providing accessible high quality care. The majority of their clients are underserved, monolingual Spanish speaking, and uninsured. Their Community Health Education Department is committed to empowering the community through the provision of culturally competent health information, education, and support. Their promotores de Salud (Health Promoters and Educators) are the bridge between the community and TVHC. The Eden Township Healthcare District funding will enable TVHC to conduct outreach and educational services in the community on the Affordable Care Act (ACA), Covered CA, and Medi-Cal Expansion services in the area of San Leandro, San Lorenzo, Hayward, and unincorporated areas of Cherryland and Ashland.

**Grant Awarded: \$25,000**

**Building Futures with Women and Children**

***Emergency Shelter and Domestic Violence Outreach to Eden Area Women and Children***

Building Futures' shelter and support services provide women in crisis with all they need to rebuild their lives, obtain income, and address other housing barriers, as well as provides secure safe and stable housing. Building Futures provides services for homeless and abused women and children, as well as provides domestic violence outreach and education services.

**Grant Awarded: \$10,000**

**Financial Report**

For the Fiscal Year Ending June 30, 2014, the Eden District had total Assets of \$92 million, with \$11.5 million of its cash and investments and the remaining in fixed assets such as land and buildings.

For the same year, we received total revenues of \$5.14 million and spent \$2.62. Building Depreciation and Amortization was another \$4.07 million. So, the Eden District took in more cash than it put out, but did not take in enough to replace buildings and assets as they age. This is primarily due to vacancies in our medical office buildings, which we expect to fill as the economy improves further.

*Annual Report for the calendar year 2014 (to be updated for the Fiscal Year Ending June 30, 2015)*