

Contra Costa Times 03.29.2011

\$10 million loan one step closer for Doctors Medical Center

By Sandy Kleffman

SAN PABLO -- To keep financially struggling Doctors Medical Center afloat, hospital board members agreed Tuesday night to accept a \$10 million advance from the county and change their governing structure.

The vote clears the way for Contra Costa County supervisors to consider approving the loan at their April 5 meeting.

The hospital board agreed with a county suggestion to set up a new seven-member governing body to oversee the day-to-day operations of the hospital, leaving the elected board with little power. The new panel would be made up of three of the existing five elected hospital board members, two county representatives and two medical staff representatives.

County officials had indicated they wanted a change in the governing structure before they would consider approving the \$10 million loan, which would be repaid over four years, with \$1.5 million in interest, through revenue from the hospital district's property taxes.

The hospital is now governed by two boards, and many have called that unwieldy. The bylaws for the new governing body would be established during the next 60 days.

Although some board members said they would have preferred to have all five of their members on the new governing body, the vote for approval was 3-0, with Beverly Wallace absent and Deborah Campbell abstaining because she is a county employee.

"Moving to one governing board is the right thing to do," said board member Eric Zell.

"We've been talking about a single governance structure for some time."