

**THE REGENTS OF THE UNIVERSITY OF CALIFORNIA
MEETING AS A COMMITTEE OF THE WHOLE**

July 14, 1999

The Regents of the University of California met on the above date at UCSF - Laurel Heights, San Francisco.

Present: Regents Atkinson, Connerly, Davies, Hopkinson, O. Johnson, S. Johnson, Khachigian, Kozberg, Leach, Lee, Montoya, Pannor, Preuss, Taylor, and Vining

In attendance: Faculty Representative Coleman, Secretary Trivette, Provost King, Vice Presidents Kennedy, Broome, Darling, Gurtner, Hershman, and Hopper, Chancellors Bishop, Cicerone, and Vanderhoef, and Recording Secretary Bryan

The meeting convened at 8:10 a.m. with Chairman Davies presiding.

PUBLIC COMMENT PERIOD

Chairman Davies explained that the Board had been convened as a Committee of the Whole in order to permit members of the public an opportunity to address matters on the day's agenda. The following people addressed the Committee concerning Item 404, *Update on UCSF Stanford Health Care*:

1. Cantor Marvin Feldman, Congregation Sherith Israel, highlighted his concern that Mt. Zion Hospital will be closed. He explained that his congregation relies heavily on the care local patients are offered there.
2. Dr. Morten Rosenblum, a former Chief of Staff at Mt. Zion Hospital and current clinical professor at UCSF School of Medicine, spoke on behalf of doctors, patients, and members of the community to request that Mt. Zion not be closed as an acute care hospital.
3. Dr. John Kerner, a physician at Mt. Zion Hospital, addressed some economic factors threatening the hospital, including the fact that teaching hospitals are in danger because of Medicare and Medi-Cal cuts and that legislators should be pressured to correct the problem. He believed that the merger was poorly managed.
4. Dr. Alan J. Coleman, a former Chief of Staff at Mt. Zion Hospital and clinical professor at UCSF School of Medicine, recalled that the hospital had been acquired in order to provide UCSF with a community hospital. Its programs attract patients from all over California, and its faculty would prefer to continue working there to be transferred to other facilities.

5. Dr. Avi Hettena, a physician at Mt. Zion Hospital who spoke on behalf of Drs. Chan, Schrader, and Nakashima, noted that Mt. Zion has a long history of nondiscrimination both in hiring and in patient care. He believed that the hospital should not be held accountable for such a large portion of the merged entity's financial losses.
6. Ms. Marian Rojas, a frequent patient at UCSF, called for dissolution of the merger.
7. Dr. Warren Gold, Professor of Medicine, UCSF and Chair of the Faculty Association, commented on the relationship of the merger to the academic mission. He stated that the pressures created by the merger are instituting a profit-making mentality at the facilities. Costs have been driven up by the imposition of an expensive additional layer of bureaucracy that is inflexible and unresponsive. Revenues are being generated at the expense of academic activities. He believed that the quality of both the faculty and of patient care will decline as a result. He viewed the merger as a serious failure in shared governance.
8. Ms. Mary Lynch, Professor of Nursing and Family Health, commented on the effects of the merger on healthcare. She was concerned that the Regents did not understand fully the extent to which things have changed within the UCSF and Stanford health care institutions, which have experienced heavy reductions in nurses' hours per patient day. She reported that the UCSF School of Nursing is having difficulties placing its graduate students. She urged the Regents to make the well being of the people of California their first priority when deciding the future of UCSF Stanford Health Care.
9. Dr. Laura Hodgson, Medical Director, Emergency Department, Mt. Zion Hospital, spoke about the effect of the merger on Mt. Zion. She reported that the closure of the hospital, the possibility of which first surfaced in May, would harm the academic mission of UCSF and the communities that it serves and would create chaos within the emergency medical systems and destroy UCSF's training programs. If Mt. Zion closes, there will be a net loss of funded patients and a proportional gain of underfunded patients at UCSF. She believed that the decision to close the hospital was hastily conceived and that its repercussions have not been analyzed fully.
10. Mr. Marc Blum, a senior partner in Organizing Professionals, which did a fiscal analysis of UCSF preliminary to the merger at the request of Senator John Burton, discussed fiscal issues. He summarized the 1997 findings of his company's analysis, which indicated that UCSF had an unusually high ratio of assets to liquid expendable balances and a high growth rate during the previous few years. A State audit followed which supported these findings indicating financial strength. He doubted the necessity of instituting drastic measures such as closing Mt. Zion and believed that the rescue plan would preclude the institution from fulfilling UCSF's historic mission. He supported terminating the merger.
11. Mr. Joseph Lindsay, Director, Acute Care Division, California Nurses Association, addressed the planned layoffs and the turnaround plan. He observed that registered nurse jobs have been cut in UCSF's clinics and will be cut at Mt. Zion if acute care

services there are terminated. At UCSF Stanford Health Care there have been cuts in admitting workers, and laundry and food services have been contracted out to a nonunion corporation. Because of recent cuts, each patient receives less care from nurses and other nursing staff. He characterized the possible closing of Mt. Zion Hospital as healthcare redlining.

The meeting adjourned at 2:10 p.m.

Attest:

Secretary