




DATE: April 27, 2017

TO: Martha Poyatos, Executive Officer
San Mateo LAFCo

CC: Serverin Campbell, Principal
Harvey M. Rose Associates, LLC

Lawrence W. Cappel, PhD
PHCD Board Chair

FROM: Cheryl A. Fama, PHCD CEO 

SUBJECT: Comments on the Circulation Draft MSR and Sphere Update

Thank you for the opportunity to add additional input into the final MSR and Sphere Report. Please see my clarifications, comments, and questions below.

- Page 1: Why is it relevant to dedicate Appendix I to the public health hospital? And if the purpose was to include hospital providers of care in the district, why not include other hospitals?
- Page 1: The long term ground lease between PHCD and Sutter was approved in 2006.
- Page 5: Bottom of page – PHCD’s geographic boundary as stated is not consistent with our understanding. Missing is the southeast tip of South San Francisco, and we serve all of San Mateo and about half of Foster City.
- Page 13: Figure 7 footnote “b” says Mills Hospital closed in 2014. An inpatient adolescent psychiatric unit continues to operate at that facility. Would those be counted in the Patient Discharge data?
- Page 15: Why is the Ravenswood Clinic in East Palo Alto not listed as a community clinic?
- Page 15: As noted in my previous March 13 comments, the Burlingame Long Term Care Facility on Trowsdale is licensed for 280 beds according to the San Mateo County Health System’s COO. The OSHPD data cited for 2015 reports only 62 licensed beds. Significant and material discrepancy
- Page 16: As noted in my March 13 comments, having enough dentists or mental health professionals in a geographic area does not ensure access for residents. The MSSA data may document availability of sufficient professionals, however, the report is silent on conflicting indicators as reported in the Countywide Needs Assessments, Oral Health Coalition Study, and recent Civil Grand Jury findings relative to access to basic dental care and adolescent behavioral health management. It seems wrong not to include other credible data.

- Page 20: The Community Health Needs Assessment section identifies ***“non-profit providers, hospitals, and the county public health system”*** as participants in the Healthy Community Collaborative of San Mateo. PHCD has been an active member of that Collaborative since 2008. That is relevant to this report and should be noted - especially given the Little Hoover Commission’s concern that healthcare districts may be duplicating services, failing to engage in collaborative activities, and missing out on sharing best practices. PHCD makes every effort to avoid duplication and uses the Collaborative meetings as a meaningful forum to stay connected with providers, to identify gaps in services, and to implement best practices.
- Page 25: Why is the same content for the Community Health Assessment section repeated under the Sequoia Healthcare District summary? SHD has never participated in the Collaborative, nor have they contributed to the financing of the Triennial Needs Assessment. However, PHCD has been active, has contributed to the cost of production, and that content is not included in the PHCD summary.
- Page 37: Top paragraph – The statement – ***“District boundaries no longer mark a distinct community”*** – upon what is that based? PHCD still covers the original six cities and later, Foster City. Paragraph 2 leaves out the southeast corner of South San Francisco and San Mateo.
- Page 38: Top of page, Transition paragraph – the last sentence in first paragraph is wrong. ***“...while Mills-Peninsula Health Services may terminate core clinical services that are determined to be financially infeasible...”*** Sutter cannot terminate a core service unilaterally. If Sutter makes the case that the service is no longer needed, and PHCD agrees, the service can be terminated. If the service is still needed, but can no longer support itself, Sutter must show evidence of that and PHCD will need to contribute financial support.
- Page 38: Last sentence under Transition section – ***“Under the new agreement, the District acts as landlord and real estate manager”*** is materially incomplete. PHCD acts as the safety net to core services and the future existence of a hospital on the mid-Peninsula after the lease term with Sutter. That is a distinction with a critical difference that should not be left out of this report.
- Page 38: Last paragraph – ***“While PHCD awards some funds to community programs, the District’s focus has primarily been the holding, management, and development of District-owned property”*** is not accurate and disregards the last 10 years of community health investments. Yes, there has been responsible, focused stewardship on the most valuable asset of the district – it’s land. However, to imply this was done to the exclusion of staying on top of health needs, increasing funding support during the economic recession years, expanding services through partnership grants, and identifying and filling gaps in services is unfair at a minimum and questionable at worst. (Detail to support this is Attachment 1)
- Page 39: Community Programs and Grants, opening paragraph – Given the intent is to provide similar comprehensive reviews of both districts, we request that you report PHCD’s major community contributions from 2009 to 2016 as done on page 23 for SHD vs. FY years 2013 and 2014 as currently reported for PHCD.
- 1) \$6.9 million to the Children’s Health Initiative; providing health insurance coverage for children ineligible for other public coverage; annually funded all eligible children living in the District through 2016;

- 2) \$4.1 million to the Healthy Schools Initiative over three years to support school-based health programs
- 3) \$3.9 million to launch the Apple Tree Dental Program
- 4) \$4.6 million to support "Access to Care for Everyone" program to support care clinics for healthcare to low-income, uninsured adults in the District;
- 5) \$500,000 to the San Mateo County Health Department Psychiatric Residency program to ensure the required number of residents to sustain accreditation.
- 6) \$2 million to Lesley Senior Housing for affordable senior assisted living apartments to help secure a HUD grant
- 7) \$300,000 to Kimochi for affordable senior assisted living apartments

Page 39: Figure 22 – PHCD does not typically award multi-year funding, therefore, when comparing PHCD budgeted grants to SHD, PHCD has one line – "community health grants". We request that the actual grants for FY 2016 and FY 2017 be delineated to show the breadth of coverage. A detailed summary of each recipient and the amount is attached to this document.

Page 40: Assessment of Need for Senior Services, first paragraph, last sentence – Please change the sentence as follows: "**....including housing and institutional care – that ~~could be provided~~ are needed.**"

Page 40: Second paragraph – Gerontological Services, Inc. prepared the first assessment in 2013 vs. 2012 as reported, and we engaged them for a second assessment in 2015 given the increased AL/MC construction activity around the County in 2013-2015. The second engagement was not mentioned.

Page 40: District's Assisted Living and Memory Care Project, second paragraph - An update is needed. The 501c3 was formed in 2015 with the plan to develop the AL/MC project thinking this would give us access to Design Build authority. However, after further evaluation, the Board decided to rebid the project via the Public Works Bidding process of the District. At the Development Corporation 1/26/17 meeting, the Development Corporation bylaws were revised to reflect a broader development and fund raising purpose. The assisted living project is being developed and operated by PHCD.

Page 42: First sentence is incorrect – The financial projections **do not** show a positive cash flow over the first five years as worded. Footnote "a" of Figure 24 does note that PHCD is planning to provide a 2-year, \$4M operating subsidy to add clarification; however, that is in very fine print vs. the statement at the top of the page. [Attachment 2 annotated copy of page 42 and the original source document cited for Figure 24.]

Page 43: Top paragraph relative to a board policy for affordable units – As I stated in my comments on the previous draft, the report is correct that there is not a *formal written policy* on affordable units – this is not required for RCEF facilities, nor is it required by the City of Burlingame; however, there absolutely was public discussion and board agreement to make 10 units below market, and there was agreement to revisit that issue after the facility is opened, stabilized and producing sufficient operating margin to keep the facility safe, adequately staffed, and providing quality care. That is incorporated into the pro forma, our Eskaton Agreement and has been publicly stated at city meetings and District town hall meetings.

Page 43: Peninsula Wellness Community, 2nd paragraph – We remain concerned if not confused at the apparent downplay and, in our opinion, mischaracterization of the District’s work in researching and then planning for the “best use” of District land for the community’s health benefit. The master plan and the Developer RFQ documents detail the vision for a wellness community that will address the complex and evolving future of healthy aging, will incorporate the latest innovations of age-friendly design, as well as, connected-aging, intergenerational socialization in an “ideal” location: within two blocks of acute, subacute, assisted and outpatient services, as well as, shopping, amenities, and transportation. This vision has been vetted thoroughly with stakeholders over the past five years and has been supported. In addition to District hosted outreach and town hall meetings-

- All cities in the District were made aware of this plan through CEO presentations at filmed Council meetings; vision and use of land were supported as community benefit.
- The City of Burlingame participated in shaping this development since first presenting to its annual joint City Council and Planning Commission meeting in March 2013. It was presented to this annual event again in 2014 and 2015. Each of these meetings were filmed and attended by 30-40 engaged citizens.

Page 43: To your point that ***“The project as defined may facilitate, but does not generally provide direct healthcare programs and services”*** we must disagree.

- Active discussions with the Mills-Peninsula Medical Center’s CEO have been ongoing for the past two years as we look to the future needs for pre and post- hospitalization needs for our aging population whose hospital stays are getting shorter as technology and reimbursement continue to impact the length of hospital stays after major surgeries and procedures. Our collaboration is focusing on how we can use the senior housing proximity to the hospital, clinicians, and technology to allow seniors to return home while receiving further monitoring.
- Community Gatepath has been a partner since planning began as they currently have a building on Marco Polo. Gatepath serves developmentally challenged residents from 3 months through adulthood – and their families. We share their vision to use a new and larger facility on the Peninsula Wellness site to retain current programs such as expanding capacity for needed screening services and inclusionary preschool facilities, while developing and offering new ones such as supportive housing for challenged adults and adult educational programs.
- Discussions are on-going with the Palo Alto Medical Foundation to incorporate its Gerontology Services programs on the site.
- Mission Hospice is interested in locating a residential facility on the site.
- Blood Source, formerly the Blood Centers of the Pacific, have expressed interest in space in the professional office building.
- Burlingame and Millbrae School District leaders are supportive and enthusiastic about the potential for having a public garden that would be used for students (“Edible school yard”) and seniors – independently and together. (Note: There is a high school, middle school, and three elementary schools within a 0.5 mile walk to the site.)
- Burlingame neighbors have consistently voiced support of the vision and the uses, with the 2 acres of open space, safe well-lit walking paths, and community gathering facilities with no car traffic as highly desirable for the benefit of the neighborhood.

Page 44: Financial Performance – The first paragraph second sentence sets a misleading tone with the following statement: ***“While some expenditures are for community programs, much of the District’s expenditures are allocated to development projects.”***

That has not been the case throughout the past 10 years since the last MSR in 2007. From 2007-2010, grant spending was increased from prior years and there was a target amount put into reserves while the new hospital was under construction. From 2010 through 2015, while development projects were understudy, annual grant budgets were maintained, new dental program was launched, and special initiatives and needs were funded. In 2016, construction started and the Environmental Impact study of the Peninsula Wellness Community was underway and no new special initiatives were funded. In 2017, once financing for the assisted living/memory care was finalized, the new program funding was increased and the teen mental health project was launched. (Attachment 3 is a summary of grant and special initiative funding as a percent of tax revenues that documents this activity.)

Page 44: District Property Leases section – The labeling of the tenants as “private” and brief listing of uses for the buildings is silent on the health services provided by these tenants and does not mention the strategic purpose for the acquisitions by PHCD over the past 10 years.

- 1600 Trousdale – site of PHCD assisted living/memory care project
- 1819 Trousdale –PHCD office and a parcel contiguous with PHCD property purchased in 1950 and part of PWC development.
- 1875 Trousdale –leased to Sutter for outpatient therapies; contiguous with and part of PHCD property purchased in 1950 and part of PWC development.
- 1720 Marco Polo Way – currently a professional office building; contiguous with PHCD property and part of PWC development.
- 1740 Marco Polo Way – currently a medical/dental office building; contiguous with PHCD property and part of PWC development.
- 430 N. El Camino Real –Purchased to establish a San Mateo presence and decided to open the Apple Tree Dental Program in that facility. Apple Tree is a non-profit, staff-model dental program that serves all payers, including Denti-Cal, which PHCD brought into the community.

Page 44: Last sentence and Footnote 29 – Twice the word ***“donated”*** is used to describe the transfer of properties between PHCD and Mills-Peninsula Health Services that occurred as part of the 2006 Master Lease and Construction Agreements. This is not accurate; there was never a “donation”. The value of the properties involved were factored into the leasehold valuation conducted by Sedway Consulting and were used to establish the rental fee structure over the 50 years of the lease agreement.

Page 46: Financial Condition section - The statement that ***“The District’s approach to budgeting results in annual budget surpluses...”*** would be more accurate and informative if it read ***“...approach to budgeting is guided by strategic planning and Finance Policy and is intended to contribute to Board Designated Funds earmarked for specific purposes such as assisted living equity, Peninsula Wellness community development, new program development, and financial obligations under the Master Agreement with Sutter.”***

Page 46: The last sentence that states the **“net position increased from \$60.5 to \$66.7”** is incorrect. It should be “increased from \$59,599 to \$66.7”. It appears the Total Liabilities and Net Position number was picked up in error. (Attachment 4 is an annotated copy of page 46)

Page 47: The statement that **“unrestricted cash reserves were \$43.7 million”** at 6/30/16 is wrong. Please see the attached annotated copy of page 47. It delineates the restrictions on the reserves including the loan, loan covenant, and construction equity requirement which brings the fund balance down to \$9,240,556. (Attachment 5 is an annotated page 47.)

Page 48: Figure 27, footnote “c” references the \$40 million COPs, but not the \$10 million COPS to be entered into August 1, 2017 for the assisted living construction.

Page 50: Top of page, second paragraph – While this sentence from was modified from the first draft by dropping the charge that our budget practice was **“diverting a large amount of public funds from public programs and services**” the revised sentence is still controversial as it promulgates the perception that the District is sitting on high reserves to buy the hospital in 50 years which is not the case. As of 6/30/16, the unrestricted cash is less than \$10 million. Please include this more complete statement of findings by the State Auditor:
“....the district is funding reasonable and allowable projects; the district’s reserve is not excessive, but rather necessary for financial commitments; overall spending is not unreasonable....”
(Attachment 6 is the State Auditor letter.)

Page 50: Last paragraph about our staffing level is not accurate. We have two fulltime, which includes the CEO and two part-time. We have no contracted staff members and legal counsel is not in-house.

Page 51: Staffing Structure - Our organizational chart was inaccurate. Attached please find the corrected copy which deletes legal counsel. It is also posted on our website. (Attachment 7 is corrected organizational chart.)

Appendices:

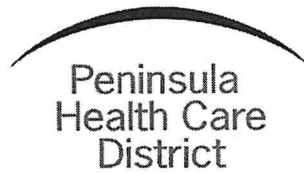
Please consider adding an Appendix that provides more detail on the PHCD grants and special initiative funding. It seems unbalanced to have Appendix VIII – a 6-page summary on SHD activities going back to 2004 and nothing comparable for PHCD.

PHCD provides funding to four similar programs of the five leading off this Appendix for SHD – Children’s Health Initiative, CSM Nursing/RN Tuition assistance funding, Samaritan House, and SMMC-PHCD ACE program and Psych Residency; and funds all but one of the programs discussed on the last two pages.

It was noted under the SHD that they enter into MOU agreements with various funding recipients. PHCD does as well and we would be happy to share copies of examples.

Please accept a draft of similar content prepared by our Community Outreach Coordinator.
(Attachment 8.)

1



PHCD'S HISTORY OF ADDRESSING NEEDED HEALTH SERVICE GAPS

- 2000:** Established a **Physician Recruitment Program** for primary care physicians in partnership with PHCD's hospital operator partner, Mills-Peninsula Health Services/Sutter (MPHS).
- 2001:** Established an **RN Student Tuition Assistance Program** to address a severe work force shortage in the local area in partnership with the College of San Mateo.
- 2003:** Participated in launching the **SM Health Plan's childrens' insurance product** and annually funded all District eligible children thru 2016.
- 2004:** Launched **Adult Day Care for residents with Alzheimer's and Dementia** in partnership with MPHS's Senior Focus; the first in the county.
- 2009:** Brought **pre-natal and post-partum services to Medi-Cal** moms living in the District in partnership with the county's Community Network for the Underserved, local OB/GYN private physicians, and MPHS.
- 2011-2012:** **Stepped in to help County** during recession by providing \$4.6 million for its "Access to Care for Everyone" (ACE) adult clinics.
- 2012-2015:** **Provided \$4 million of funding** over three years to help K-8 schools add RN's, Wellness Coordinators, counselors, and PE instructors. Also established a school-based health clinic in one of the lowest income neighborhoods-east San Bruno.
- 2012-2016:** **Committed \$500,000 in funding to the County Health Department** to secure accreditation for its Psychiatric Residency by funding one resident for four years.
- 2013:** **Committed \$2 million of lead funding** for Lesley senior housing to successfully receive a \$4.6 million HUD grant to convert 20 independent senior apartments to 16 affordable assisted living units.
- 2014:** **Major contributor to creating 16 new affordable assisted living units** in San Mateo with Kimochi, a nationally recognized senior service organization.
- 2010-2015:** **Brought Apple Tree Dental Services to San Mateo County:** Served as convener, problem-solver, and innovator in launching this non-profit, staff-model dental care program with >30 years of success in Minnesota for treating all ages with a focus of removing barriers to access for uninsured, frail elderly at home and in institutions, and children with developmental challenges.
- 2015:** **Started construction of a 124-unit assisted living and memory care facility** on PHCD land immediately across the street from MPHS and the District's planned Peninsula Wellness Community
- 2016:** **Developed and launched a 3-year Teen Mental Health** project in partnership with the San Mateo Union High School District and Stanford's Center for Youth Wellbeing and Mental Health serving 7 high schools and 8,500 students in the district.

2

It is only positive due to the \$4M in op funds contributed by PHCD
The actual operations for the first two years have a negative cash flow

projections.²⁴ The financial projections show positive cash flow over the first five years of the project, as shown in Figure 24 below.

Figure 24: Projected Cash Flow for Senior Assisted Living and Memory Care Project 2018 to 2022

	2018	2019	2020	2021	2022
Revenues	\$2,900,000	\$7,970,000	\$10,808,000	\$12,704,000	\$13,085,000
Expenses	(3,633,000)	(6,357,000)	(7,341,000)	(8,414,000)	(8,666,000)
Net Revenues	(\$733,000)	\$1,613,000	\$3,467,000	\$4,290,000	\$4,419,000
Capital Expenditures	\$0	(\$80,000)	(\$108,000)	(\$127,000)	(\$131,000)
Debt Service	(1,145,000)	(2,894,000)	(3,184,000)	(3,186,000)	(3,192,000)
Operating Deficit ^a	2,500,000	1,500,000			
Net	\$1,355,000	(\$1,474,000)	(\$3,292,000)	(\$3,313,000)	(\$3,323,000)
NET CASH FLOW	(\$1,878,000)	(\$1,361,000)	175,000	977,000	1,096,000

Source: Hendrickson Consulting Financial Forecast, March 14, 2016

^a The pro forma projections assume a \$4 million operating subsidy in the first two years, funded from the \$80.8 million capital budget (this funding is listed in Figure 23 above as "Project Costs, Operating").

The projections in Figure 24 above are based on 92 percent occupancy of the residential units. If occupancy falls below 92 percent or operating expenses are higher than projected, the senior assisted living and memory care project may have reduced or even negative net cash flow. According to management's discussion in the audited financial statement for the year ending June 30, 2016:

"2015 and 2016 demographic studies of the local senior market reaffirm the rapid aging of this area and the current and future demand for supportive housing such as assisted living. As a result, three senior for-profit housing companies have entered the market and opened facilities [Sunrise, Atria, and Kensington]. This could slow occupancy for the District's facility and prolong the financial stabilization. To recognize this challenge, the pro forma and financial projections were revised before the decision to go forward was determined."

Sunrise opened a 97-bed assisted living facility in 2015, one block from the District's new facility at 1600 Trousdale Drive.²⁵

²⁴ The projected subsidy is calculated at \$750 per month for ten units. This subsidy of \$750 per month would still result in per unit costs to the resident of more than \$5,000 per month or \$60,000 per year based on the information in the March 2016 Financial Forecast by Hendrickson Consulting.

3

Year	Grants	Special Initiatives	TOTAL GIVING	TOTAL TAXES	% Giving to Taxes
2006-07	\$1,479,000		\$1,479,000	\$3,806,000	39%
2007-08	\$1,985,000		\$1,985,000	\$4,060,000	49%
2008-09	\$1,738,000		\$1,738,000	\$4,522,000	38%
2009-10	\$1,886,000		\$1,886,000	\$4,392,000	45%
2010-11	\$1,847,000		\$1,847,000	\$4,242,000	44%
2011-12	\$2,100,000		\$2,100,000	\$4,230,000	50%
2012-13	\$1,992,000	\$3,321,000	\$5,313,000	\$4,839,000	1.10%
2013-14	\$2,155,000	\$4,187,000	\$6,342,000	\$5,111,000	1.24%
2014-15	\$2,002,425	\$3,052,910	\$5,055,000	\$5,443,000	93%
2015-16	\$1,907,000		\$1,907,000	\$5,900,000	15%

4

Figure 25: Peninsula Health Care District's FY 2015-16 and FY 2016-17 Budgets

	FY 2015-16 Actuals	FY 2016-17 Budget	FY 2016-17 Budget Compared to FY 2015-16 Actuals
Revenues			
Property Tax ^a	\$5,899,563	\$5,356,000	(\$543,563)
Leasing Revenues	2,441,975	2,425,560	(16,415)
Interest Income	782,689	604,900	(177,789)
Other	20,516	33,100	12,584
Total Revenues	\$9,144,743	\$8,419,560	(\$725,183)
Expenditures			
Community Health Grants	\$1,906,723	\$1,450,000	(456,723)
Teen Mental Health Project		500,000	500,000
San Bruno School Clinic		50,000	50,000
Community Outreach and Other		144,500	144,500
Peninsula Wellness Center	1,127,377	1,225,400	98,023
Administration	999,712	988,325	(11,387)
Total Expenditures	4,033,812	4,358,225	(456,723)
Change in Surplus/ (Deficit)	5,110,931	4,061,335	(1,049,596)

Source: FY 2015-16 Financial Statement and District's FY 2016-17 Budget

^a Actual property tax revenues of \$5.9 million in FY 2015-16 were approximately \$800,000 more than budgeted revenues of \$5.1 million, due to the dissolution of redevelopment agencies in three cities.

The District's Financial Condition

The District's approach to budgeting results in annual budget surpluses, which has contributed to an increase in the District's cash and investments and an increase in the District's net position. ³¹ As shown in Figure 26 below, between FY 2012-13 and FY 2015-16, the District's net position increased from \$60.5 million to \$66.7 million.

Net position 6/30/13 is \$59,599 not \$60,526.
The are comparing Total Liabilities at
6/30/13 to Net position at 6/30/16

³¹ "Net position" is the district's assets less liabilities. An increase in assets compared to liabilities will increase the district's net position.

5

Figure 26: Increase in the District's Net Position FY 2012-13 to FY 2016-17

('000s)	Actual			
	6/30/13	6/30/14	6/30/15	6/30/16
Cash and investments ^a	\$45,024	\$48,379	\$78,670	\$83,021
Other current assets	241	301	612	2,561
Non-current rent receivables, deposits			124	1,491
Capital (net)	15,261	17,186	23,193	26,412
Deferred outflows - Pension			32	38
Total Assets	\$60,526	\$65,866	\$102,631	\$113,523
Current liabilities	903	1,041	1,695	4,505
Non-current liabilities ^b	24	4,554	40,416	39,525
Deferred Inflows - Pension				748
Net position	\$59,599	\$60,271	\$60,397	\$66,753
Total liabilities and net position	\$60,526	\$65,866	\$102,631	\$113,523

Source: District Financial Statements

^a Includes debt proceeds

^b Includes \$40 million in COPs issued by District

According to the District's financial statement for FY 2015-16, the District's unrestricted cash reserves were \$43.7 million. According to the District's financial forecast prepared by Hendrickson Consulting in May 2016, cash reserves will decrease to \$21.8 million in FY 2017-18 due to the District's planned capital expenditures but are projected to increase to \$47.7 million by FY 2021-22.

The May 2016 financial forecast shows the District's net position increasing from \$66.7 million in FY 2015-16 to \$93.3 million in FY 2021-22, as shown in Figure 27 below.

Cash and investments at 6/30/16 shown above include \$3M held at Torrey Pines bank which is a requirement of the project loan and \$36M of project funds.

The district's unrestricted fund balance per the audited financial statements at 6/30/16 is \$4,563,403

The districts unrestricted cash reserves at 6/30/16 are

Cash and investments	83,021,171
Less project funds	(36,280,615)
Less debt required reserves	(7,500,000)
Less project equity commitment	(30,000,000)
Equals unrestricted Cash	9,240,556

NOT \$43.7 M

6

October 19, 2016

RECEIVED

2016-802

OCT 27 2016

Peninsula Health Care District

Cheryl A. Fama, Chief Executive Officer
Peninsula Health Care District
1819 Trousdale Drive
Burlingame, California 94010

Dear Ms. Fama:

California Government Code section 8546.10 authorizes the California State Auditor (State Auditor) to establish a high-risk local government agency audit program (local high risk program) to identify local government agencies—including but not limited to counties, cities, and special districts—that are at high risk for the potential of waste, fraud, abuse, and mismanagement, or that have major challenges associated with their economy, efficiency, or effectiveness.

On May 17, 2016, the State Auditor informed you that Peninsula Health Care District (district) exhibited certain factors—in particular, a concern that the district had accumulated a high reserve amount—that would warrant an initial assessment under our local high risk program. The purpose of the initial assessment was to better understand the cause behind these risk factors and determine the district's planned response. The State Auditor has now completed the initial assessment after interviewing district officials and reviewing available documentation.

Based on our initial assessment, the State Auditor concludes that: the district is funding reasonable and allowable projects; the district's reserve is not excessive, but rather necessary for financial commitments; overall spending is not unreasonable; the district's CEO compensation is comparable to other health care districts; and lastly, although external oversight of the district is weak, this risk is mitigated by the district's transparency. As a result, the State Auditor will not be seeking approval from the Joint Legislative Audit Committee to perform an audit nor will the State Auditor monitor the district's activities going forward.

We greatly appreciate the cooperation provided by district officials during the initial assessment. If you have any questions, please do not hesitate to contact John Baier, Audit Principal.

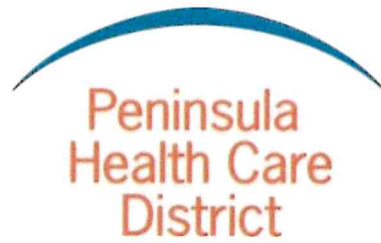
Sincerely,



ELAINE M. HOWLE, CPA
State Auditor

cc: Lawrence W. Cappel, Ph.D., Chair, Peninsula Health Care District Board
R. Cameron Emmott, M.D., Director, Peninsula Health Care District Board

7



ORGANIZATION CHART

Board of Directors
L. Cappel, PhD
R. Navarro, MD
H. Galligan, RN
D. Zell, Esq.
Frank Pagliaro, Esq.

Cheryl A. Fama
CEO

Carole Sinay,
CPA
Accountant

Ashley
McDevitt
Community
Outreach
Coordinator

Paul Wright
Office
Coordinator

Appendix IX

Community Grants Program

In addition to major funding initiatives, Peninsula Health Care District awards approximately \$2.0 million annually through its Community Health Investment Budget that covers Grants, initiatives such as the Teen Mental Health, and event sponsorships. Grant funding requests are evaluated by the Board’s Community Health Investment Committee. The Committee is a working committee that carries out PHCD’s policies and procedures for managing grant request and recommends grants to be funded to the Board for decision. The Committee is comprised of two Board members and 5 at-large community members.

As part of the Grant application process, the District asks applicants to identify how the grant funded service will fit with PHCD’s vision and health priorities, the number of PHCD residents served, if funding will expand or maintain capacity, if funding will support existing programs or launch new ones, and the effectiveness metrics to be used to track impact. Grant funding allocated to PHCD health priorities over the last two fiscal years is summarized below.

Grants Funded by Priority Area, FY ‘16 and FY’17

Health Priority	FY 2015-16		FY 2016-17	
	Amount Funded	Percent	Amount Funded	Percent
Access to basic health and mental health services	\$1,058,600	57%	\$1,126,600	56%
Childhood obesity and nutrition	\$105,000	6%	\$173,000	9%
Senior Services that promote quality of life	\$390,000	21%	\$275,000	14%
Reduction of health risks through education	\$298,695	16%	\$413,426	21%
Total:	\$1,852,295*	100%	\$1,990,026**	100%

*For FY 2015-16 total amount funded does not include “Other Grants and Contributions in the amount of \$54,428”.**For FY 2016-2017 total funding includes “Teen Mental Health Initiative” and “San Bruno School Clinic”.

In FY 2015-16, the District awarded \$1,852,295 to 34 organizations through the Community Grants Program. The 34 grantees plan to serve:

- 40,410 residents
- 47% will expand program capacity to reach more clients
- Total invested in expanding capacity of programs totals \$538,695.

(Data Source: DropBox-Grants to Community Based Organizations-2015-2016 Community Grants)

In FY 2016-2017, the District awarded \$1,990,026 to 32 organizations through the Community Grants Program and Special Initiative Funding -Teen Mental Health \$500,000. The 32 grantees plan to serve:

- 68,406 residents
- 66% of organizations will expand program capacity
- Total invested in expanding capacity of programs total is \$1,353,426.

FY 2015-2016 Community Health Grants	
Organization and Program	Amount
Acknowledge Alliance-Collaborative Counseling Program	\$25,000
Burlingame School District-Physical Fitness Testing Upgrade	\$10,000
Burlingame School District-Social Emotional Learning Curriculum	\$7,675
Caminar- "Bridges to Wellness Program"	\$50,000
Catholic Charities-Adult Day Services	\$30,000
Children's Health Initiative	\$525,000
Community Gatepath-Community Access	\$21,000
Community Gatepath-Family Resource Center	\$30,000
CORA-Family Centered Mental Health Program	\$33,600
Edgewood-Healthy Kin Program	\$35,000
Friends For Youth-Why Mentoring? Whole Health for Youth.	\$10,000
InnVision Shelter Network-Family and Children's Support Services	\$15,000
Jewish Family and Children's Services-Seniors at Home	\$10,000
Latino Commision- Entre Familia Outpatient Services	\$20,000
Mental Health Association of San Mateo County-Public Health Nurse	\$25,000
Mid-Peninsula Boys and Girls Club-Nurtition & Physiscal Fitness Program	\$35,000
Millbrae Elementary School District and Susty Kids: Let's Grow	\$25,000
Mills Peninsula Senior Focus-Adult Day Health	\$60,000
Mission Hospice and Home Care-Hospice House	\$100,000
Ombudsman Services of San Mateo County	\$60,000
Pathways Home and Hospice-Un/Underinsured Patient Care Program	\$15,000
Peninsula Family Services-Peer Counseling Program	\$40,000
Peninsula Volunteers-Meals on Wheels	\$20,000
Planned Parenthood Mar Monte	\$10,000
Prevent Blindness Northern California- See Well to Learn Program	\$18,000
Samaritan House-Free Clinic of San Mateo	\$240,000
San Bruno Park School District	\$75,000
San Mateo County Pyschiatric Residency-4th Year of 4 Year funding	\$135,000
San Mateo Foster City School District-Youth Mental Health First Aid	\$25,000
San Mateo Police Activities League- Healthy Me!	\$10,000
Second Harvest Food Bank-Senior Brown Bag Program	\$20,000
StarVista-Crisis Intervention and Suicide Prevention Center	\$25,000
StarVista-Crisis Insights Adolescent Substance Abuse Treatment Program	\$40,000
Via Heart Project- Peninsula Heart Safe Schools Program	\$52,020
Other Contributions and Grants	\$54,428
Total:	\$1,906,723

FY 2016-17 Community Health Grants	
Organization and Program	Amount
Breathe California	\$50,000
California Dental Association Foundation-CDA Cares Event San Mateo	\$10,000
Caminar-Bridges to Wellness	\$50,000
CASA of San Mateo County-Healthy Futures	\$25,000
Catholic Charities-Adult Day Health Services	\$30,000
Community Gatepath-Developmental Screening	\$33,000
Community Gateoath-Healthy Eating Active Lifestyle	\$23,000
CORA-Family Centered Mental Health	\$33,600
Edgewood-Healthy Kin	\$35,000
Fresh Approach-VeggiesRx	\$75,000
Friends For Youth-Why Mentoring? Whole Health for Youth.	\$15,000
Jewish Family and Children's Services-Sdementia Care Center	\$25,000
JoyLife Club-Peer Support Groups and Educational Seminars	\$10,000
Kids and Art Foundation-The Art of Rememberance	\$2,000
Lifemoves-Behavioral Moves	\$15,000
Mid-Peninsula Boys and Girls Club-Nurtition & Physiscal Fitness	\$35,000
Mills Peninsula Senior Focus-Adult Day Health	\$45,000
Mission Hospice and Home Care-Hospice House	\$200,000
Ombudsman Services of San Mateo County	\$60,000
Peninsula Family Services-Peer Counseling	\$40,000
Peninsula Jewish Community Center- Pink Ribbon	\$10,000
Peninsula Volunteers-Meals on Wheels	\$50,000
Peninsula Volunteers-Rosener House Adult Day Services	\$25,000
Prevent Blindness Northern California- See Well to Learn	\$30,000
Samaritan House-Free Clinic of San Mateo	\$260,000
San Mateo County Office of Education-School Climate Train-The-Trainer	\$35,000
San Mateo County Sheriff's League-SAL Healthy Kids	\$15,000
StarVista-Crisis Intervention and Suicide Prevention Center	\$25,000
StarVista-Crisis Insights Adolescent Substance Abuse Treatment	\$35,000
The Peninsula Conflict Resolution-Pacific Islander Diabetes Prevention	\$50,000
Via Heart Project- Peninsula Heart Safe Schools Program	\$93,426
	TOTAL: \$1,440,026

*For FY's 2018 and 2019, funding for the Teen Mental Health Initiative and the San Bruno School District Student Health Center will be allocated out of the \$2 Million Community Health Grants budget.

Example of Major Initiatives in Addition to the Grants Program

Children’s Health Initiative

Children’s Health Initiative was founded through the collaborative effort of the County, providers, and funders with the goal to provide health insurance to low income children between 6 and 18 years of age who would otherwise not have access to health care. Peninsula Health Care District was a founding partner for this program and funded it every year through 2016 when the ACA enrollment eliminated the need for PHCD’s funding in FY 2017.

Healthy Schools Initiative

The Healthy Schools Initiative allocated \$4.1 million over three years to 39 K-8 schools within PHCD. The funding supported school-based health programs including: PE teachers, mental health counselors, nurses, wellness coordinators, nutrition education services, and a student health clinic (Belle Air). It also provided “Parent University” classes on topics such as reducing student stress through adequate sleep and benefits to learning through good nutrition

Apple Tree Dental Program

The countywide Triennial Needs Assessments for the last four rounds of data collection and analysis have shown that more than 50% of residents over 50 years of age do not have dental coverage and for low income adults that number is over 60%. PHCD took it on as its primary program focus from 2010 through the launching of the Apple Tree Dental Center in San Mateo in 2015. The Center offers general dentistry with a focus and facilities to meet the needs of developmentally challenged children and adults and those with dementia and Alzheimer’s, as well as, those with mobility limitations. The Center also serves as a hub to send out mobile dental operatory capabilities to schools, nursing homes, and employers.

The District assisted Apple Tree Dental with conducting additional needs assessments and provider capability assessments, as well as, financing for tenant improvements and a \$2 million grant for Center equipment, mobile units, and operating cash to ensure that PHCD’s goal to serve all residents, especially the uninsured and those with Denti-Cal coverage, would be cared for during the launch and ramp up to stabilization. An additional \$500,000 was granted to cover uncompensated care in FY 2017 as the volume of demand exceeded initial projections.

Access to Care for Everyone

The Peninsula Health Care District stepped in to provide \$4.6 million to the San Mateo County Health System to ensure coverage for low-income, uninsured adults living within the District during the economic recession and the county’s health budget was strained. The funding supported clinical/medical staff, clinic and facility costs, and administrative expenses associated with delivery of services.

San Mateo County Health Department Psychiatric Residency

PHCD provided \$500,000 over four years to fund a full-time psychiatric resident position in the County's Behavioral Health Program. The District-funded position ensured the program's accreditation which was at risk due to County budget limitations in 2011.

Lesley Senior Housing

Lesley Senior Communities planned to convert 20 existing low income senior apartments in San Mateo into 16 affordable assisted living units. They were going for a HUD grant and needed to show community support for the project. PHCD stepped up and committed \$2 million to this project. They were successful in getting the HUD funding.

Kimochi

Kimochi was founded in San Francisco in 1974 and today is a nationally recognized leader in senior services. PHCD provided \$300,000 in capital funding to help Kimochi convert a closed SNF facility in San Mateo into an assisted living residential community, and to put in a commercial kitchen that prepares meals for delivery to shut-in seniors around the District.

Teen Mental Health Initiative

The Teen Mental Health Initiative is a three-year collaborative with the San Mateo Union High School District and Stanford's Youth Mental Health and Wellbeing Center to develop and launch a school-based teen mental health service that will identify problems early, get students needed help promptly, and improve coordination between school, providers, and parents. The District committed \$1.5 million to this project which will serve seven high schools and 8,500 students.

Oral Health Coalition

PHCD committed \$100,000 over two years to fund two new county positions for the purpose of implementing the recently developed San Mateo County Oral Health Strategic Plan.

San Bruno PG&E Disaster Support

In 2010, the PHCD Board provided 2-years of support, in partnership with the local Red Cross, to help lease, do tenant improvements, furnish, and operate a 2,000sf Service and Resource Center in the heart of downtown San Bruno to serve those directly and indirectly impacted by the devastating explosion and fire that killed 8 and left so many needing services and post-traumatic stress support. The Center remained open for 2 years.

Millbrae Recreation Center Fire

In 2016, PHCD provided \$50,000 to the City of Millbrae to help relocate and sustain senior and youth programs and replace supplies that were lost when the Recreation Center was completely destroyed by arson fire.

Peninsula Health Care District Programs and Services by Priority Area as Identified by 2016 Community Health Needs Assessment											
Program or Service	Childhood Obesity	Oral Health	General Health	Diet, Fitness, Nutrition	Alzheimer's and Dementia	Cancer	Diabetes	Behavioral Health and Emotional Wellbeing	Access and Delivery	Other	
Breathe CA-Lung Health Education			✓							✓	
CDA Cares- Dental Event		✓							✓		
Caminar- Bridges to Wellness				✓			✓	✓	✓		
CASA- Healthy Futures				✓				✓			
Catholic Charities- Adult Day Health			✓		✓				✓		
Community Gatepath- HEAL and Developmental Screenings			✓	✓					✓	✓	
CORA- Family Centered Mental Health								✓	✓		
Edgewood- Healthy Kin			✓	✓			✓	✓	✓		
Fresh Approach-Veggie Rx	✓			✓			✓				
Friends for Youth- Whole Health for Youth								✓			
Jewish Children and Family Services-Dementia Care			✓		✓			✓	✓		
JoyLife Club-Peer Support Groups and Educational Seminars						✓		✓			
Kids and Art Foundation-Art of Remembrance								✓			
LifeMoves-Behavioral Moves								✓	✓		
Mid-Pen Boys and Girls Club-Nutrition and Physical Fitness Program	✓		✓	✓							
Mills Peninsula-Senior Focus- Adult Day Health					✓				✓		
Mission Hospice and Home Care								✓	✓		
Ombudsman Services					✓						
Peninsula Family Service- Senior Peer Counseling								✓			
Peninsula Jewish Community Center-Pink Ribbon Program				✓					✓		
Peninsula Volunteers-Meals on Wheels				✓					✓		
Peninsula Volunteers-Rosener House, Adult Day Health					✓				✓		
Prevent Blindness Northern California- See Well to Learn									✓		
Samaritan House-Free Clinic of San Mateo		✓		✓			✓		✓		
San Bruno Park School District	✓		✓	✓					✓		
SMCOE-School Climate Program								✓		✓	
SMCo. Sheriff's League-Healthy Kids	✓			✓							
StarVista- Suicide Prevention and Insights Adolescent Substance Abuse Treatment								✓			
Peninsula Conflict Resolution- Pacific Islanders Diabetes Prevention				✓			✓				
Via Heart Project-Heart Safe Schools										✓	
Teen Mental Health Initiative			✓					✓	✓		
Apple Tree Dental		✓							✓		
Oral Health Coalition		✓							✓		
The Trousdale-Assisted Living and Memory Care Facility		✓			✓				✓		



**San Mateo County Health System
Behavioral Health and Recovery Services**

Raziya S. Wang, MD

Designated Institutional Official and Psychiatry Residency Program Director

April 28, 2017

Martha Poyatos, Executive Officer
San Mateo LAFCo
455 County Center
Redwood City, CA 94063
RE: Peninsula Health Care District

Dear Martha Poyatos,

The San Mateo County Behavioral Health and Recovery Services Psychiatry Residency Training Program would like to offer comments on the Circulation Draft Municipal Service Review and Sphere Update on the Health Care Districts. From 2012 to 2015, Peninsula Health Care District provided funding annually to cover the salary and benefits for a psychiatry resident in our program.

As San Mateo County's population becomes increasingly diverse, it has become even more crucial to find psychiatrists who are similarly linguistically and culturally competent. As San Mateo County's population ages, it becomes more critical to find psychiatrists with expertise in treating older adults with co-occurring medical problems. According to the California Department of Mental Health's 2009 report on the public mental health workforce, the hardest position to recruit was psychiatry. Since the 1960s, the San Mateo County BHRS Psychiatric Residency has contributed to our region's ability to address the need for well-trained psychiatrists: at least 50% of our graduating residents remain in the area to serve our regional population. However, the competition for attracting and retaining psychiatrists who meet our requirements is very challenging, especially due to the high-cost-of-living in our region. Our challenge in the residency is to provide the best possible experience for those applying so they will choose us over other programs. Our Peninsula Health Care District grant initiated in 2012 helped us do just this by increasing our recruitment from 3 residents/year (the minimum allowed) to 4 residents/year, demonstrating robust growth and support for residency training at our institution.

Since 2013, applications for our program have increased 40% to about 450 applications annually, allowing us to select and match top candidates. In addition, 50% of graduates each year have stayed in the county, and 75% have stayed in the Bay Area. The increased Residency class recruitment also allowed the program to develop additional training opportunities for our residents that simultaneously fill psychiatric service needs in our county. In summary, the PHCD grant provided vital funding to meet the mental health needs of the individuals who live in San Mateo County and we support their ongoing work in our community.

Sincerely,

Raziya S. Wang, MD

CC: Louise Rogers, San Mateo County Health System Chief
Bob Cabaj, Behavioral Health and Recovery Services Medical Chief

Daniel J. Ullyot, M.D.
1435 Bellevue Avenue, #302
Burlingame CA 94010

Martha Poyatos, Executive Officer
San Mateo LAFCo
455 County Center
Redwood City CA 94063

April 26, 2017

Re: LAFCo Draft Report on Health Care Districts

Dear Ms. Poyatos:

As a property owner in and a resident of Burlingame and the Peninsula Health Care District (PHCD), I am responding to your letter of March 17, 2017, in which you invited interested individuals to provide comments on the Circulation Draft pertaining to the Peninsula and Sequoia Health Care Districts. Having been a member and chair of the PHCD Board I shall limit my remarks to the report's findings with respect to PHCD.

In order to understand this (or any) analysis of the performance and proper role of PHCD there are several contextual considerations requiring emphasis:

(1) Health Care encompasses a broad array of activities beyond the medical care provided by doctors in hospitals. Most of the advances in population health and longevity seen throughout the twentieth century to the present are attributable to a rising standard of living, improvements in infrastructure (e.g. sanitation, housing), public safety regulation, and other non-hospital-care factors.

(2) The management of modern, urban hospitals is complex and beyond the capabilities of most local boards. This and the above paragraph explain the renaming of "Hospital Districts" in 1994, in favor of "Health Care Districts" acknowledging a broader mandate for district activities and at the same time recognizing district board limitations for running hospitals.

(3) After the Northridge earthquake in 1994 the California legislature passed SB1953 requiring all acute care hospitals in California to meet new seismic standards by 2008. This unfunded mandate resulted in an intense and expedited program to review and approve hospital retrofit and/or building plans to comply with the law.

PHCD contracted with Sutter Health to build a new hospital meeting seismic standards specified in SB1953, at no cost to the taxpayers of the district. A 50 year ground lease was signed in which Sutter Health would build, own and manage the new hospital under the oversight of the PHCD, and at lease-end would sell the hospital and capital equipment back to the district at their depreciated (book) value. This arrangement was overwhelmingly approved by the voters of the district with the understanding that PHCD would maintain financial strength sufficient to step in and purchase the hospital at lease-end or if a "paramount default" should befall Sutter in the interim. The \$640,000,000.00 hospital opened in 2011, the result of careful, protracted negotiations between PHCD and Sutter Health in which the District would receive substantial lease payments from Sutter and would guarantee that core medical and surgical services would continue to be provided.

Suffice it to say that this accomplishment by the PHCD Board in replacing an aging, obsolete district hospital with a new, modern hospital meeting state seismic and construction standards is of great benefit to the residents of the district and provides a framework for all subsequent activities and programs of PHCD. The Master Land Lease provides Sutter Health with 21 of 29 acres of prime Burlingame real estate, owned by PHCD, on which to build and operate the new hospital. The remaining 8 acres contiguous and just west of the new hospital, and other property owned or purchased by PHCD will be developed as a "health campus" anchored by the hospital and including health-related activities such as medical office space, senior and assisted living, memory care, community center, and possible other innovative uses such as research laboratories.

PHCD has embarked on a program of land development both for the health benefit of the residents of the district and also to maintain the financial capacity to fulfill PHCD's promises to the voters of the district

when they approved the arrangement (Master Lease) with Sutter Health.

While at the same time maintaining and developing its land holdings, PHCD provided startup support for a dental program serving the district and beyond, to which it provides oversight in terms of board representation.

PHCD supports many worthy, local health care activities based on policies implemented by a standing committee (Community Health Investment Committee) consisting of two PHCD Board members and five community leaders, examples of which are:

- Childrens Health Initiative
- Samaritan House
- San Mateo Psychiatry Residency Program
- Healthy Schools Initiative
- Senior Focus (Adult day care and Alzheimer's Disease)

Although no longer a member of the PHCD Board, I am encouraged by the progress being made in realizing the Board's vision embodied in the District's long term plan, most recently revised in 2016.

I hope these comments are helpful.

Yours sincerely,

A handwritten signature in black ink that reads "Daniel J. Ullgot". The signature is written in a cursive style with a large, sweeping initial "D".

April 20, 2017

Ms. Martha Poyatos
Executive Officer
LAFCo
400 County Center
Redwood City CA 94063

RECEIVED

APR 25 2017

LAFCO

Dear Ms. Poyatos,

The following are my comments and opinions regarding the local Peninsula Health Care District (PHCD).

In Summary, I think the Peninsula Health Care District is absolutely vital to the providing of the health care and health services our community needs and deserves.

I have lived in Burlingame CA since 1963, raised my family here, and worked in the Peninsula area since 1956. I am knowledgeable regarding the functioning of the PHCD, particularly concerning the new local Mills-Peninsula Medical Center built by the Sutter Group on PHCD land. The PHCD did a masterful job of attracting and retaining Sutter to fund and build the new hospital and of working out a land lease giving the PHCD control over core community hospital services over the life of the lease and along with lease income.

I served on the Board of Directors for Sutter's Mills-Peninsula Health Services Hospital's Building Committee (MPHS) for 15 years, and chaired the hospital's Building Committee for 17 years. I was directly involved in the planning, design, and construction of the hospital facility and involved also in the negotiation with the PHCD Board for the land lease. The PHCD was also involved in the planning and design of the hospital. Two PHCD directors attended Sutter's Building Committee meetings for over 3 years. I can personally attest that the PHCD ably and professionally represented the public and the community in all matters. Simply put, without the PHCD, there would be no hospital today, as the old hospital was seismically deficient (the hospital is 1 ½ miles from the San Andreas fault). Sutter also brought a large organization of physicians covering a broad range of clinical specialties to the medical staff of the hospital and the community, the Palo Alto Medical Foundation. Finding physicians to locate here is extremely difficult because of our high housing costs. Without the PHCD, this all important physician problem would still be with us.

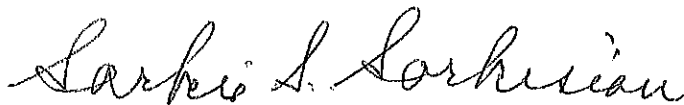
The lease agreement between PHCD and Sutter had to have public approval. With a record turnout for a special election, the arrangements for a new hospital and the lease were passed by the voters with a 92% yes vote ! This amazing vote result showed not only an acceptance of the project by the public, but also showed the public's total support and appreciation of having an active and functioning PHCD committed to retaining a hospital on its land and providing other services.

I have been for several years and am presently serving on two PHCD committees. The PHCD is under construction with a \$50 million plus Assisted Living and Memory Care facility, which is greatly needed by the community. The PHCD is also in the planning stages for an eight acre Senior Wellness Community, a tremendous fulfillment to the needs of the District's senior population. Both projects are on PHCD owned land adjacent to the Mills Peninsula Medical Center. Again without a Health Care District, none of this would be happening.

The fact that in years past the PHCD with public support, accumulated ownership of this large parcel of land is evidence of the need for local health districts. The PHCD elected directors serve without pay or benefits. They know what the local needs and resources are. They live and work here, are not professional politicians, and often have medical backgrounds. The PHCD operates with amazingly low overhead and is a financial bargain to the government and community. Maximum and needed use is made of every tax dollar they receive.

In my opinion, only a local group organized as a state government agency with some tax funding support could have accomplished any of the above, and similarly, only such a group can continue to perform these needed services – all at such a minimum cost. I have seen and experienced all these happenings personally. I have tremendous respect and appreciation for the people who have served and who are serving, and for what our PHCD has accomplished for our community and is looking ahead to accomplish.

Sincerely,



Sarkis S. Sarkisian
2955 Trousdale Dr
Burlingame CA 94010-5708
650-697-4805

From: Marie Lukehart [<mailto:mlukehart@sbpsd.k12.ca.us>]

Sent: Thursday, April 27, 2017 8:16 PM

To: Martha Poyatos <mpoyatos@smcgov.org>

Subject: Peninsula Health Care District (PHCD) Municipal Service Review

Hello ,

To Whom it May Concern,

My name is Marie Lukehart and I am the Wellness Coordinator/ Health Center Manager at the San Bruno Park School District. I have been with the district for the past 4 years and it is because of the PHCD's funding that many of the programs the SBPSD receives have the ability to exist and survive. To name a few:

Leah's Pantry- nutrition classes for parents and students.

AHA- kids cook with heart (6th graders learn the importance of cooking)

Author Annie Fox presentation-"Too Stressed to Think" - students learn the value of destressing. This is a valuable tool that children can use throughout life.

San Mateo Health Coverage Unit- we developed a partnership through PHCD with San Mateo Health Coverage Unit and it has made a huge difference in SBPSD. Almost all families in the school district have health insurance because of this partnership.

Without the generous funding that the PHCD has granted the school district over the years, many students and families would not have received these crucial benefits.

Sincerely,

Marie Lukehart

Marie Lukehart
Wellness Coordinator/Health Center Manager
San Bruno Student Health Center
450 Third Avenue
San Bruno, CA 94066
Phone: (650) 624-3133
Fax: (650) 266-9626
Email: mlukehart@sbpsd.k12.ca.us

From: Tippy Irwin [<mailto:ossmc@ossmc.org>]
Sent: Friday, April 28, 2017 2:00 PM
To: Martha Poyatos <mpoyatos@smcgov.org>
Cc: Cheryl Fama <cheryl.fama@peninsulahealthcaredistrict.org>
Subject: Upcoming LAFCO meeting -- pubic comment

I write this on behalf of Ombudsman Services of San Mateo County, Inc.

Peninsula Healthcare District is a major community player at multiple levels.

From the perspective of the non-profit sector, they have been very instrumental in keeping us afloat to provide critical service for the frail elders in our community. At a time when the state pulled all its support from our program in 2008, ombudsman services would have struggled to keep our doors open if it had not been for the unwavering support of the district. Eight years later, the state still has not stepped up to fully fund this federally mandated program. Federal funds alone barely pay the rent, so we are left to seek funding from a variety of local sources. The healthcare districts have been our most loyal supporters, ensuring that we remain an integral part of the safety net for the frail elders and dependent adults who reside in the long-term care facilities.

Not only do they support *our* program, but they support many of the critical non-profit programs in their district, who would struggle to meet their goals without this support. We urge you to continue to support the existence of this important agency and the work it does at the local level to build on the ongoing improvements in healthcare throughout the district

Tippy Irwin
Executive Director
Ombudsman Services of San Mateo County, Inc.
711 Nevada St.
Redwood City, CA 94061
Phone (650) 780 - 5702
Fax (650) 364 - 5399
www.ossmc.org



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ADVOCATE. EDUCATE. EMPOWER.





April 28, 2017

San Mateo County LAFCo
Martha Poyatos, Executive Officer
455 County Center
Redwood City, CA 94063

To the Local Agency Formation Commission:

I am writing to express my deep appreciation for the community benefit from the Peninsula Health Care District. The District has always been concerned with the health and health care provided to San Mateo County residents. In the modern era, one can only view the health care that residents receive in a holistic way. The District has evolved from initially concerning itself with a hospital based view of health care delivery to the modern holistic approach. The factors that affect health of individuals includes care at school, housing, ethnic, and socioeconomic factors. The Peninsula Health Care District is uniquely equipped and qualified to address these needs in the community. In recent years, not only has the District addressed the needs of the county through community grants of non-profits, but also in trying to address the growing need of adequate senior housing, especially for those with memory care needs. So many overlook, the serious health implications of dental care, but the District has invested in an innovative community model that funds low income dental service. The experts and professionals who make up the elected Board are making decisions that improve the health of the community and protect the health of the community in an evolving and challenging health care landscape. For the foreseeable future, we need these expert professionals to continue to influence the community in a positive way with their vision of a health San Mateo County in the future. Please continue to support their vision.

To specifically respond to the key questions asked in your draft report on page 4:

1. Healthcare Districts serve a vital role of shaping and responding to the evolving nature of healthcare in modern cities. We have seen the hospital focused vision of the past become a community based vision that requires local elected experts to address the needs of the whole community in the context of what aspects of the community are being served well and what community grants would help underserved populations.
2. The risk of dissolving Healthcare Districts in favor of property tax allocation going directly to the county health department is a shift in their focus from the health of the entire community to a

focus on the safety net. The elected Board of the Peninsula Health Care District is a team of elected expert professionals who are concerned with the overall resources available to all residents. One of their key functions is oversight of the hospital to ensure modern state of the art hospital facilities that are not mere private interests who are concerned with profits, but professionals concerned with access to hospital facilities. This is evident from the oversight of the core services provided. Without this key function by the Board, for profit companies would close all local hospitals in favor of luxury housing.

3. The future is going to be a return to community based healthcare where the care is integrated to emphasize home visits after a hospital stay, maintenance through nursing services in peoples' homes, and hospitals. No one is more qualified to oversee this transition, and execute a vision of a healthy San Mateo County for all than the elected team of expert professionals on the Peninsula Health Care District Board.

Thank you for your consideration.

Very truly yours



Joe Goethals

Councilmember, City of San Mateo

Former Director, Peninsula Health Care District Board

From: Lynne Ferrario [<mailto:lynneferrario@yahoo.com>]

Sent: Sunday, April 23, 2017 12:34 PM

To: Martha Poyatos <mpoyatos@smcgov.org>

Subject: Peninsula Health Care District

To Whom It May Concern,

I'd like to comment on the amazing support that the PHCD has given to the Millbrae School District. I have been a teacher, principal and now a Board Trustee with the school district for over 25 years. The Peninsula Health Care District has provided funding for several of our school programs that have greatly enriched the education of our students. Without their support, many opportunities would be eliminated due to inadequate funding for our school district.

I am personally grateful for the collaboration we have enjoyed and benefited from over the last several years. I look forward to continuing this relationship in the future.

Sincerely,

Lynne Ferrario
Millbrae School District Trustee

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Treasurer

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Heather Cleary



Peninsula Family Service

RECEIVED

APR 28 2017

LAFCO

April 25, 2017

Martha Poyatos, Executive Director
Local Agency Formation Commission
455 County Center, 2nd Floor
Redwood City, CA 94063-1663

Dear Ms. Poyatos:

On behalf of Peninsula Family Service, I am writing to provide input in response to the Draft of the Municipal Service Review and Sphere Update for the Sequoia Healthcare District and Peninsula Health Care District.

First, I'd like to share some of our background. Peninsula Family Service is a private, nonprofit organization established in 1950 and serving almost 10,000 individuals annually in Silicon Valley. Our mission is *to strengthen the community by providing children, families and older adults the support and tools to realize their full potential and lead healthy stable lives*. We work toward this mission through three core programs: early learning centers, financial empowerment programs, and services for older adults.

We have a vision for a community where opportunity, financial stability and wellness are secured for all. As such, all our programs feature a preventative health and intervention component, such as health screenings for seniors, healthy meals and fitness for youth, or hospital to home community transition programs.

Peninsula Family Service is a grantee of both the Sequoia Healthcare District and Peninsula Health Care District for three programs through the community grants program and initiatives. These include:

- **Senior Fitness and Nutrition Programs** that support over 350 low-income seniors with tai chi, yoga, and line dancing classes, as well as healthy breakfasts, at the Fair Oaks Adult Activity Center in Redwood City. Sequoia Healthcare District helped pilot the services in 2007 and supports them on an ongoing basis.

- **70 Strong (formerly Sequoia 70)** a new initiative launched in January 2017 to provide community navigation and information to older adults in collaboration with Sequoia Healthcare District. After a research and design phase involving thorough community engagement, we launched 70 Strong with a goal to reach and connect 8,000 of the 25K+ older adults age 65+ in the district to community resources.
- **Senior Peer Counseling** supporting over 400 isolated and vulnerable seniors via trained volunteer peer counselors. Grants from both districts have allowed us to expand outreach and recruitment to reach more volunteer counselors to serve clients on our waiting lists.

Through our various partnerships with community organizations, we have also benefited indirectly through their community grants project to other programs to which we provide referrals. This includes community health clinics and programs, such as the Samaritan House, San Mateo Medical Center, the Apple Tree Dental Clinic, Meals on Wheels and others.

As a nonprofit organization working with both Sequoia Healthcare District and Peninsula Health Care District over a number of years, we can attest to the tremendous value and particular benefits based on our experience and partnership to improve the health and wellbeing of the local community. In addition to the fact that they support programs that make a real difference to the health and quality of life of the community, we attest to the healthcare districts' current structure and its benefits to resolving health issues, including the following:

Increased knowledge of local needs: San Mateo County, despite the generally high quality of life for many residents, is not a homogenous region. Many areas have distinct populations and characteristics that affect residents' access and ability to maintain their health and well-being. For instance, many regions are geographically isolated with reduced access to public transportation options and conveniences, such as Pacifica and parts of Southern San Mateo. Many areas also possess a diversity in cultural and language needs, such as North Fair Oaks District, of which 73.1% of the population is Hispanic, or San Bruno, which has a high population of Asians and Pacific Islanders. As districts maintaining separate regions, they have developed more knowledge and deeper understanding of the specific needs and issues that are local to the area.

This knowledge and proximity of the local landscaping is critical to addressing challenges that residents face. We worked closely with Sequoia Healthcare District to develop 70 Strong when only a fraction of the 25,000 older adults age 65+ in the district were connected to existing community resources. This includes seniors residing in Portola Valley, Atherton, and Woodside who are far from transportation hubs and suffer from depression and isolation. This knowledge is also important to developing and maintaining culturally competent services that address the language and specific needs of ethnic groups.

Rapid response to address gaps in services and needs: In our experience in working with the districts, we are able to partner with them to respond to gaps in services in faster ways than with our governmental contracts. In applying for community grants each year, we often redesign or scale programs to meet needs identified over the prior year. For instance, Peninsula Health Care District supported the hiring of a bilingual Chinese Master's Level Therapist to provide clinical supervision for our Senior Peer Counseling program when we found that our volunteer counselors needed the language support in order to provide more effective services to clients.

With governmental contracts that are typically negotiated 3-5 years, we have little to no leeway to make changes to our contracts. The district's funding helps respond to needs and challenges that occur at a much faster pace with reduced bureaucracy.

In addition to funding support, we also receive significant in-kind support from Sequoia Healthcare District. The District conducts Living Healthy Workshops for our participants at Fair Oaks and other sites. In addition, they have provided AEDs through the HeartSafe project at the Fair Oaks Adult Activity Center.

Increased accountability and transparency: In our work with both districts, we have strict guidelines for accountability and transparency. In all our programs, we provide a detailed report on progress to outcomes, projected service objectives and a financial report every six months. These are compared with our proposed applications, and the district representatives often reach out to address questions and issues with our progress. Both districts also fund our evaluation, which demonstrate measureable impact of the services they fund. This also reduces duplication of services as we address how district funds are used to scale or expand services to meet needs.

In conclusion, to respond to the questions in the Review document: ***If a healthcare district does not operate or own a hospital, should it continue to exist?***

If we define healthcare as *"maintenance and improvement of physical and mental health"* we maintain that districts should exist to support health programs that are outside of the hospital setting as they are preventative in nature and as a result reduce the costs and burdens on medical systems.

If a healthcare district primarily channels its property tax allocations to other entities as healthcare grants, might this allocation be better done by county health departments or other local governments?

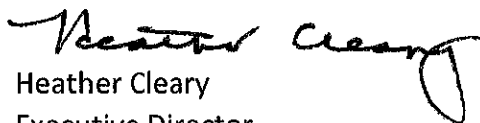
As aforementioned, the structure and local focus of the districts enable them to respond to developing needs more nimbly than county departments or local governments.

Do critics, who maintain that healthcare districts without hospitals should be dissolved, have too narrow a focus and lack understanding of shifts in the healthcare landscape?

There are currently many variables in the healthcare landscape as it relates to medical care. We argue that the instability of healthcare at the national level requires more prevention and intervention at the forefront so as to withstand the negative impact on hospital related medical care. We maintain that the community grants are investments on the part of healthcare districts to achieve the World Health Organization's definition of health *"as a state of complete physical, mental and social well-being and not merely the absence of disease or infirmity."*

Thank you for your attention. If you have any questions or need further comment, I can be reached at (650) 403-4300 ext. 4418

Sincerely,



Heather Cleary
Executive Director
Peninsula Family Service

From: Tessa Solomon [<mailto:tsolomon@peninsulafamilyservice.org>]

Sent: Thursday, April 27, 2017 9:38 AM

To: Martha Poyatos <mpoyatos@smcgov.org>

Cc: Deborah Miller <dmiller@peninsulafamilyservice.org>; Heather Cleary <hcleary@peninsulafamilyservice.org>

Subject: Letters in response to the LAFCo Review

Dear Martha,

It was great to meet you last week. I know Heather has forwarded a letter on behalf of Peninsula Family Service.

I thought it would also be helpful to hear from participants who directly benefit from the programs supported by both Sequoia Healthcare District and Peninsula Health Care District as part of the review process. Please let me know if you have any questions.

Warm regards,

Tessa

P.S. If you would ever like to visit us at Fair Oaks Adult Activity, please let me know. We are open Monday through Friday from 9-2pm. I've also attached an invitation to our Open House on May 16th at our San Mateo headquarters. Would love to see you there!



Tessa Solomon

Director of Strategic Initiatives

Peninsula Family Service

24 Second Avenue

San Mateo, CA, 94401

T: 650.403.4300 ext. 4414

tsolomon@peninsulafamilyservice.org

Website: www.peninsulafamilyservice.org

Triple the impact of your gift through the Sobrato Challenge today! Donate now through June 30, 2017 and your gift could be matched 2:1 by the Sobrato Family Foundation! [Click here to learn more!](#)

April 2017

Ms. Martha Poyatos
Executive Director
LAFCo

Dear Ms. Poyatos:

I am writing in response to the LAFCO Review of the Sequoia Healthcare District and Peninsula Health Care District which funds these programs. As a participant of the Senior Peer Counseling Program, I can attest to the benefit these programs have made to my health and quality of life, and the benefits to the senior to whom I provide Peer Counseling.

I participate in California on a weekly basis. I have personally benefitted from these programs by having a purpose in my retirement by helping people who are also experiencing the fortune and misfortune of ageing. In turn, the senior peers I meet with benefit by being listened to with open and nonjudgmental attention, and finding out community agencies and programs they can get help from.

I am extremely grateful for the support of Sequoia Healthcare District and Peninsula Health Care District for these programs.

Thank you for your attention.

Sincerely,

Carol Wong
Belmont

April 2017
Ms. Martha Poyatos
Executive Director

Dear Ms. Poyatos:

As a trained Senior Peer Counselor, I am writing in response to the LAFCO Review of the Sequoia Healthcare District and Peninsula Health Care District which funds these programs. The Senior Peer Counseling Program training has enhanced my health knowledge and quality of life, and in turn, the seniors who I have counseled.

I have had the privilege of meeting and listening to several seniors in their homes, apartments, and Sterling Court. I have benefitted from these programs and, in one case, my client became my mentor! Peninsula Family Service's Senior Peer Counselor training is a valuable series of classes and continuing education for all aging adults. It rates five stars!

I am extremely grateful for the support of Sequoia Healthcare District and Peninsula Health Care District for these programs.

Thank you for your attention.

Sincerely,

Jackie Siminitus
Senior Peer Counselor in City of San Mateo

April 21, 2017

Ms. Martha Poyatos
Executive Director
Local Agency Formation Commission
455 County Center, 2nd Floor
Redwood City, CA 94063-1663

Dear Ms. Poyatos:

As a resident in the City of San Carlos and participant in the Senior Peer Counseling Program, I am writing in response to the LAFCO Review of the Sequoia Healthcare District and Peninsula Health Care District which funds these programs. As a participant in the Senior Peer Counseling Program, I can attest to the benefit these programs have made to my health and quality of life.

I participate as a volunteer counselor on a weekly basis. The Peninsula Family Service's Senior Peer Counseling program (SPC), funded in part by the Sequoia and Peninsula Health District grants, provides cost free support for San Mateo seniors who may be alone, have health or loss issues, or could benefit from information about community resources that may meet their needs such as free or low cost transportation options. What makes SPC special is its reliance on a strong network of specially trained counselors who visit the senior in their place of residence on a weekly or bi-weekly basis. The Senior Peer Counseling Program offers services in Spanish, Mandarin, Cantonese, and Tagalog, as well as English, with individual volunteers able to work in Hindi and Farsi. Lesbian, gay, bisexual and transsexual (GLBTQ) peer counselors are also available

I can speak about this wonderful program from experience because I became a senior peer counselor a year ago. I was drawn to SPC as a way to continue to use my professional skills (I am a recently retired licensed psychologist and researcher) in a volunteer capacity. I was extremely impressed with the 36 hour training all potential volunteers are required to complete. Despite my doctoral degree and many years of therapy practice, most of the training was new to me: characteristics of aging, typical needs of senior clients and the many community resources available to assist, the unique niche senior peer counselors can fill with their clients, well as how to deal with potential crises and setbacks. Many of our clients live close to the poverty line so knowledge related on no or low cost services is particularly vital and useful to me personally as one of my clients may become homeless.

I personally find participating in the program has helped me understand my own ageing process, connect with an entire new network of interesting, community minded peers, and find joy and satisfaction in being part of such a positive program. I applaud the support provided by Sequoia Healthcare District and Peninsula Health Care District for these programs.

Sincerely,

Janet A. Schmidt, Ph.D. Licensed Psychologist

San Carlos

April 2017

Ms. Martha Poyatos
Executive Director
LAFCo

Dear Ms. Poyatos:

I am writing in response to the LAFCO Review of the Sequoia Healthcare District and Peninsula Health Care District which funds these programs. As a participant of the Senior Peer Counseling Program, I can attest to the benefit these programs have made to my health and quality of life, and the benefits to the senior to whom I provide Peer Counseling.

I participate in the Senior Peer Counselor program on a weekly basis. I have personally benefitted from these programs by learning current information on healthy ageing and ways to help my senior peers, as well as being active and engaged with others in my community. The senior peer I meet with every week benefits by a reduction of loneliness and isolation, being listened to with open, nonjudgmental attention and feeling his experience in life is valued, and learning about community agencies and programs that can help him maintain a good quality of life at home.

I am extremely grateful for the support of Sequoia Healthcare District and Peninsula Health Care District for these programs.

Thank you for your attention.

Sincerely,

Lucia Riedemann
Foster City

April 25,2017

Ms. Martha Poyatos
Executive Director
LAFCo

Dear Ms. Poyatos:

I am writing in response to the LAFCO Review of the Sequoia Healthcare District and Peninsula Health Care District which funds these programs. As a participant of the Senior Peer Counseling Program, I can attest to the benefit these programs have made to my health and quality of life, and the benefits to the senior to whom I provide Peer Counseling.

I participate in client visits for the Senior Peer Counseling Program on a weekly basis. I have personally benefitted from these programs by enjoying friendships and support, learning current information on healthy aging and engaged with others in my community. The senior peer I meet with every week benefits greatly from my visits. She looks forward to telling me about her activities and how she doesn't feel so lonely or isolated from the rest of the world. Having a captive audience who listens with an open, nonjudgmental attention, brings a smile to her face every time. She is actively engaged with the community agencies and programs that can help her maintain a higher quality of life as an independent low income senior in San Mateo.

I am extremely grateful for the support of Sequoia Healthcare District and Peninsula Health Care District for these programs.

Thank you for your attention.

Sincerely,

Janice Hardin

San Mateo



Mail: 969-G Edgewater Boulevard #901
Office: 1000 E. Hillsdale Boulevard #210
Foster City, CA 94404
650/378-8541
www.fostercityvillage.org
fcvillage@att.net

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April 27, 2017

Ms. Martha Poyatos
Executive Officer
San Mateo LAFCo
455 County Center
Redwood City 94063
mpoyatos@smcgov.org

RE: Peninsula Health Care District Municipal Service Review

Dear Martha,

As President of the Board of Foster City Village, I wanted to share our views regarding the important role both Peninsula and Sequoia Health Care Districts have played in the formation and operational success of Foster City Village.

The Foster City Village is a 501(c)(3) non-profit public benefit corporation now in its fifth year of operation serving the 94404-zip code area of Foster City and the Mariners Island area of San Mateo.

We are a volunteer driven organization comprised of neighbors helping neighbors for an improved quality of life, enabling healthier aging for our senior residents and peace of mind for their families. Our mission is to enable older adults to continue living in their homes and communities as they age by providing mobility, practical assistance, easy access to services, social connections and educational opportunities.

When we were founded, Sequoia Health Care District provided the initial seed funding to allow us to educate our community, source volunteers and support our initial older adults. Last year, Peninsula Health Care District provided funding to allow us to develop and launch our support for low income residents (primarily those residents residing in Foster City Section 8 housing). Today, 15% of the seniors we are supporting are benefiting from that funding and we expect the number to rapidly grow.

We view the support we have received from both Health Care Districts as instrumental for providing localized, pro-active health benefits to the aging demographic we serve. One study, conducted in the fall of 2015 by the Center for Advanced Study of Aging Services (UC Berkeley School of Social Welfare) and in

collaboration with the Archstone Foundation, surveyed the members of the Foster City Village and 68 other Villages across the country to better understand the value and contribution of the Village organization to health and successful aging principles.

Here is what they found:

- 94% of Village members were age 65+ (60% were age 75+)
- 66% of Village members either had general poor health or mobility, IADL, ADL and/or cognitive limitations
- 39% of Village members had experienced at least one fall in the past year (prior to membership)
- 48% of Village members lived alone

Out of this group of older adults surveyed, the following benefits of their Village membership were noted:

- 46% stated their overall quality of life had improved
- 92% stated their sense of belonging improved
- 54% stated they felt more connected to the community
- 48% stated they were more able to stay in their home

I've included a snapshot of our provided services to illustrate the health synergies between Foster City Village and our Health Care Districts. These results and results from many other studies consistently and increasingly provide evidence for how the Village organizations such as Foster City Village are providing important health value to older adults as they age. The Health Care Districts are wonderfully suited to support this important model of care and we believe will become even more important partners of ours as the aging population continues to rapidly increase.

Sincerely,

Jim

James S. Wambach
President, Board of Directors
[FOSTER CITY VILLAGE](#)

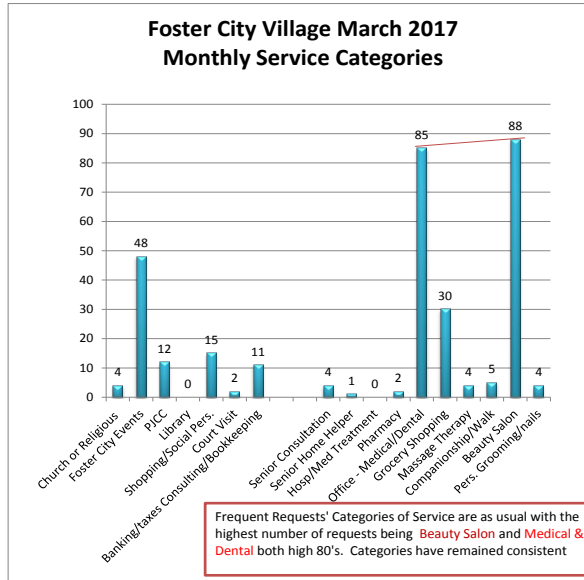
Enclosures

Foster City Village: Neighbors Helping Neighbors Executive Summary

1) Focused on Helping Our Seniors Age in Place - with a High Quality of Life

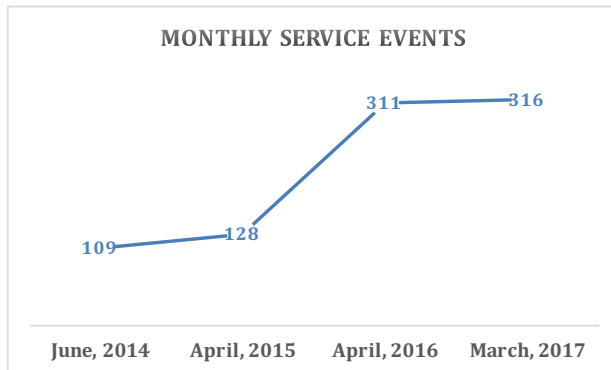
Foster City Village March 2017 Category of Service Statistics

Overall Category	Service Type	Amount of Services
SOCIAL	Church or Religious	4
	Foster City Events	48
	PJCC	12
	Library	0
	Shopping/Social Pers.	15
LEGAL & FINANCE	Court Visit	2
	Banking/taxes	11
	Consulting/Bookkeeping	11
HEALTH & WELLNESS	Senior Consultation	4
	Senior Home Helper	1
MEDICAL	Hosp/Med Treatment	0
	Pharmacy	2
	Office - Medical/Dental	85
PERSONAL	Grocery Shopping	30
	Massage Therapy	4
	Companionship/Walk	5
	Beauty Salon	88
	Pers. Grooming/nails	4
	Movie Companionship	0
	Airport Ride	1
	Total Requests	316



March 2017 - FCV Chart by Category of Service

2) Providing High Volume of Services & More Service Categories 71% of Services = Medical/Health & Wellness/Personal Care



300+ MONTHLY SERVICES PROVIDED

28%	Medical:	87
43%	Health & Wellness:	136
25%	Social Support:	79
4%	Other:	14

3) Making A Real Difference - Average Age = 80

- “The Foster City Village came to my rescue am so grateful for this organization.” - Lila O.
- “...”In conclusion and importantly, you know you are not alone. Thank you for all that you do” - Aldean S.
- “You’ve given me my life back” - Verena B.
- “...I love Foster City Village for giving this gift of a smile and hope to my Dad.” - Donna T.
- “ I have been a resident in Foster City since 1974 and I like it here. I think we all like it here and share the desire to remain here” - Audrey G.

Summary: Foster City Village Member Services

Administrative Services

- Centralized number and email for questions and service requests
- Friendly, familiar professional staff to respond to questions and coordinate service requests

Transportation Services

- Grocery shopping
- Personal care appointments
 - Medical appointments
 - Salon appointments
- Village social and cultural events
- Errands (bank, pharmacy, stores)

Social and Educational Events

- Seminars and presentation on topics of interest to the members
- Monthly coffees, luncheons and potlucks
- Book clubs
- Game days
- Interest groups, such as theater groups
- Field trips to shows, movies, museums
- Holiday parties

Health & Wellness Services

- Fall Prevention and Home Safety
 - Home Safety assessments
 - Fall prevention information and education
- Educational Seminars and Programs
 - Nutrition
 - Fall prevention
 - Health advocacy, cognitive health, etc.)
- Personal Support Programs
 - “Check-ins” by Village volunteers & Village members
 - Doctor visit assistance
 - Mail/Banking/Bill Payment assistance
 - Walking/Companionship
 - In home support for cognitive decline
 - Specialized memory support groups and social events
 - Facilitated group discussions (life transitions, etc.)
 - Counseling/support programs (Senior Peer Counselors, RSVP, etc.)
- Specialized Provider Referrals
 - Geriatric Care and Care Management
 - In-home Care
 - Counseling and Therapy

In-Home Assistance

- Light lawn & garden care
- Yard clean-up, gutter cleaning
- Technology assistance – computers, phones, televisions, stereos, etc.
- Assistance with minor household tasks (changing batteries, light bulbs, filters)
- Assistance with pet care
- Medications disposal
- Removal of household hazardous waste, cleaning products for disposal
- Disaster preparedness consultation and assistance

Handyman Services

- Carpentry—Shelf installation, door adjustments, light repairs
- Electrical—Replace broken switches, fixtures, doorbells, security lighting, home alarms and smoke detectors
- Plumbing – Light toilet and fixture repair
- Miscellaneous—Replace furnace filters, hang pictures, etc.

April 25, 2017

Martha Poyatos
Executive Officer
San Mateo Local Agency Formation Commission ("LAFCO")
mpoyatos@smcgov.org
(650) 363-4224

Re: LAFCO Review of the Sequoia Healthcare District ("SHD") and Peninsula Health Care District ("PHCD") Program Funding

Subject: Peninsula Family Service ("PFS")
Senior Peer Counseling ("SPC") Program
Michael T. Sterrett - Personal Narrative as SPC

Dear Ms. Poyatos;

It is with appreciation for this opportunity to provide to you and LAFCO my personal narrative related to my participation in the PFS SPC program, my experience as a SPC, and how this essential, far-reaching, and relevant program has impacted my life and the lives of my clients.

PFS staff and various other professionals provided to me comprehensive training with practical tools and knowledge to not only become a SPC, but to be a well trained, sensitive, aware, and effective SPC.

May I begin my experience narrative by saying what an honor it is for me to have such a wonderful opportunity to meet individuals who have been referred to and will benefit from the SPC Program. Then to be invited into their homes/places of residence, and realize with humility and admiration that this person is sharing with me their most intimate personal history, including their physical and mental health issues, needs, fears, and then discuss ways that I may be of service to them.

My "Clients" are human beings first and foremost, and my personal life skills along with the specialized SPC training, helps me to apply effective listening skills, as well as empathizing with them to truly understand their needs and relate to them in a more meaningful way.

Although some of these elderly persons are living in their own homes, many are residing in their children's homes, at assisted living facilities, and in nursing homes, but in any case, often times without personal contact from family and friends and therefore many live a very solitary and isolated existence.

Without the PFS SPC Program, hundreds, if not thousands, elderly persons will live out the rest of their days lonely and never having the opportunity to share their life experiences with someone such as a SPC. In particular, to be listened to, understood, as well as helped to know more about the resources available to help make their life possibly more manageable, possibly more comfortable, and hopefully far less lonely.

The PFS SPC Program also includes bi-weekly Group Supervision Meetings, where PFS Professional Staff provide a venue for SPC's to share their experiences related to their clients, gain useful, and often critical, professional advice on handling/managing their interaction with their clients, while also learning from their fellow SPC's.

The PFS SPC Program also provides ongoing "In-Service" Training to meet the needs of the SPC's for enhancing their knowledge of topics they were previously trained in, as well as learning new skills and information about current aging related topics.

My personal experience can be summed up in one word: REWARDING.

As I mentioned above, it is an honor to be invited into a person's home, learn intimate details about them and their lives, and then be able to provide a means to reduce loneliness, isolation, and help them learn about other useful resources.

As I age and become less independent, and more dependent on others, including possibly living in assisted living and/or nursing home facilities, which often leads to isolation and loneliness, that I might be visited weekly by a well trained SPC who can then help me move forward with a more healthy, interactive, and meaningful life, helping to improve the quality of my life during the inevitable aging process.

My personal gratitude, and I'm sure the gratitude of current and future SPC clients, is extended to Sequoia Healthcare District and Peninsula Health Care District for their continued support of the Peninsula Family Service Senior Peer Counseling Program.

Sincerely,

Michael T. Sterrett
Senior Peer Counselor (Since October 2014)
Foster City
County of Residence: San Mateo

From the desk of

Jack Hickey

Member, Sequoia Healthcare District

Board of Directors

3/23/2017

My comment in response to the below paragraph in the "Circulation Draft Municipal Service Review and Sphere Update for the Sequoia Healthcare District and the Peninsula Health Care District" follows.

"During the evaluation of potential grantees, the District compares the percentage of District residents anticipated to be served against the percentage of the overall program budget for which funding has been requested. The District then requests additional information and conducts additional investigation depending on whether the District resident percentage is higher or lower than the funding request percentage."

On it's face, this is a reimbursement for services which have been or will be provided to district residents whether the grant is made or not. There is little marginal benefit accruing to district residents from many such grants. Ravenswood is an example where the marginal benefit is 16.2 cents in benefit to District residents for every District property tax dollar granted. The district has no "board approved" policy on the subject, and has rejected my efforts to create one.

The below e-mail, from CEO Lee Michelsen, is a clear example of the "fungibility" of these grants.

From: lmichelson@sequoiahealthcaredistrict.com

Sent: Tuesday, September 01, 2015 2:30 PM

To: 'Arthur Faro'

Cc: 'Jack Hickey, SHD Director' ; 'Mark Hudak'

Subject: RE: Re: Ravenswood pie chart

We fund a great number of programs that serve both residents and non-residents. Since our funding is geographically restrictive other funding that does not place the same limitations can then be used to provide services to non-residents. We have never had a problem with that and in fact always encourage them to raise other money to cover the non-District residents. We review spending to make sure that our funds do not exceed the amount that the organization spends on District residents. In the case of Ravenswood, they spend significantly more than \$700,000 a year on District residents so we are comfortable that the money that they give them is used for our residents. To indicate that Ravenswood would be serving some of our residents anyway without our funding is a non-issue. Ravenswood like all other organizations have to piece together income from a great number of resources. Some are restricted like ours and others are non-restricted that can be used at will. Our funding allows Ravenswood to serve many more people than

they would be able to serve without our help including many more of our residents. Why after all these years that Mr. Hickey does not understand our basic funding principles is beyond me and certainly inconsistent with the thinking of all of the other Board members, our staff and our legal representative.

May 15, 2017

Martha Poyatos
Executive Officer
San Mateo Local Agency Formation Commission
455 County Center Drive, 2nd Floor
Redwood City, CA 94063

Dear Ms. Poyatos.

My name is Erica Lyons and I reside within Peninsula Health Care District. Like many people, when I first moved here to the San Mateo area I had no idea what a Health Care District was or its function within the community. I came from San Diego and I really didn't know that such entities existed. Over time, I learned a little more as I would read the quarterly reports that are mailed to my home. That was the extent of my knowledge of health care districts and their function within a community.

It was a little over two years ago that I began learning at a more in depth level as to the wide variety of services Peninsula Health Care District provides to its constituents. My nephew had suffered a sudden cardiac arrest at 17. Thankfully he lived because of fast action by my mother, a retired veteran nurse of 54 years, and an Automated External Defibrillator (AED). I was left with a feeling of "I need to do something. If this can happen in my family it can happen to anyone!" I began trying to make my school district in Hillsborough "Heart Safe" for all students and those who come onto our 5 campuses 7 days a week. This means we have AED's and trained staff members that can help in a cardiac emergency during school hours. These AED's are extremely well marked and accessible to the public. We successfully installed and train all of our HCSD staff in "Hands Only" CPR and AED use by August 15th, 2015.

As I began to step back and evaluate the surrounding school districts, I quickly realized that there were either little or no heart safe school environments in the immediate area. It was then my mission to change that. The only question was who could help me place as many AED's and train staff members in these surrounding districts? I had heard about the Sequoia Heart Safe Schools Program and KNEW I had to try to implement something similar to that in North San Mateo County. It was then that I partnered with Via Heart Project, a non-profit based in San Francisco that helps schools and corporations create more heart safe environments. Via Heart Project had also helped Hillsborough City School District implement their program based on my extremely strong suggestion.

When we had our initial meeting with Peninsula Health Care District they carefully took the time to listen to our proposal and answered the many questions we had. I was truly surprised how many grants that were already funded and how many people from many different backgrounds PHCD was helping all over the community. My fondest hope was that they would fund our grant so that more students, staff, parents and school visitors would be safer on the school campuses. Later that year we were honored to be a recipient of a grant to help the San Mateo Union High School District double their existing amount

of AED's on their 8 campuses and train many staff members in hands Only CPR as well as certifying several staff members in the 4 hour American Heart Association 4 hour course. This year Via Heart Project will help Millbrae School District and San Bruno Park School District become heart safe schools as well. Peninsula Health Care Districts Grants program made all this possible. When we train someone of any age how to perform even hands Only CPR, we have provided them with a lifesaving skill that positively affects the entire population of the health care district, and possibly beyond.

Should the district still exist even without a hospital? I say ABSOLUTLEY! I my personal case, sudden cardiac arrest can happen to anyone, anywhere. The more prepared we are as a populous, the more likely we are to jump in and help someone when needed. Acute care within the hospital is just step 1 in helping residents lead healthier lives. Programs outside the hospital offering opportunities to lead a healthier lifestyle are the next logical step. Peninsula Health Care Districts grant funding programs DO affect its constituents lives in a VERY positive way and should be continued.

Sincerely,

A handwritten signature in blue ink, appearing to read "Erica Lyons". The signature is fluid and cursive, with a large initial "E" and "L".

Erica Lyons

Volunteer, Via Heart Project & concerned citizen

From: Bart Charlow [mailto:bart@samaritanhousesanmateo.org]
Sent: Tuesday, April 18, 2017 2:09 PM
To: Martha Poyatos <mpoyatos@smcgov.org>
Subject: Peninsula Health Care District Municipal Service Review

Martha Poyatos, Executive Officer
San Mateo LAFCo
455 County Center, Redwood City 94063, mpoyatos@smcgov.org

Dear Martha,

I wanted to weigh in on the LAFCO questions involved in the Peninsula Health Care District's Municipal Service Review.

Please note that I am available to discuss or clarify any of the responses below.

Q. *If a healthcare district does not operate or own a hospital, should it continue to exist?*

A. YES!

- **Private hospital systems do not ensure perpetual access to hospitals, and certainly not to overall health services to all residents.** They are geared primarily to high cost temporary hospital services to those for whom they are paid. If they do not operate the preventive systems nor those services to which they would discharge patients – particularly the “medically indigent” – they have no obligation to ensure the overall health of local residents. Their allegiance is ultimately limited to their own financial bottom line.
- **Private systems are not obligated to continuity in any case, while districts are.** Private hospital systems, regardless of whether they are operated by a technically nonprofit corporation or a profit corporation, are ultimately motivated by the financial prospects. While it might be expensive to abandon an area where it “doesn’t pay” in the short run, it’s the kind of business decision that has plenty of examples, including some in the Bay Area. Districts, on the other hand, are obligated to ensure the continuity of care for residents, and they have some of the funding to do so which is dedicated to that very purpose. In fact, at least one of our local districts still technically owns the hospital property and recognizes its obligation to reconstitute a hospital if needed. In such an event, were the health care districts dissolved, it would be impossible to re-establish them in today’s anti-tax, anti-government climate; as long as they exist, the mechanism to replace a failed or abandoned private hospital is in place.

Q. *If a healthcare district primarily channels its property tax allocations to other entities such as healthcare grants, might this allocation better done by county health departments or other local governments?*

A. NO!

- **Health care districts are directly accountable to the public, while county health departments are not in practice.** Health care districts answer to public input via election, open meetings and processes, and meaningful open systems to gather information. Government operated hospital and health systems have their own biases and procedural preferences. They are expensive, bureaucratic, and parochial in

their approach to fund allocation. That is not a criticism of the large scale repetitive tasks they do well; but it is a recognition of the political and organizational cultural reality within which they operate.

- **County operated services and systems are not nimble, like privately operated services, such as the nonprofits who actually do so much of the work in the community.** Nonprofits develop out of “unmet needs” perceived by one or more of the population groups; it’s in their DNA to be responsive to small needs. County systems operate on large scale, are primarily answerable to the government hierarchy, and are often mired in bureaucratic processes. Government operations do not share the imperative to move quickly and efficiently in the way that private nonprofit systems do.
- **Nonprofit providers leverage other community resources very efficiently, while engendering community interest and non-monetary support for care.** This is their hallmark; it is the opposite of governmentally operated health care systems. Since health care districts are disbursing funds largely to the nonprofits serving their home communities, the financial and engagement match is highly significant and extends the health care far beyond what government systems alone would do.
- **County government health systems here have prioritized reimbursable services (Medi-Cal, Medicare, etc.) much the same as private systems, leaving the nonprofits to care for those who remain uncovered and least able to afford care, co-pays, etc.**

Q. Do critics who maintain that healthcare districts without hospitals should be dissolved have too narrow a focus and lack understanding shifts in the healthcare landscape?

A. YES!

- **Health care is far more than just hospital care.** In fact, modern hospitals cannot operate successfully without an extant and responsive system of community based prevention and aftercare services. The reality of today’s American hospitals is that they are only the tip of the iceberg of care. Proper use of our limited hospital resources should be as last resort, except in the instance of trauma care. Financial pressures from the insurance system and all managed care regulators dictate very rapid discharge, often leaving ill or injured or recovering residents lacking care needed to prevent readmission.
- **Efficient use of hospitals requires that those who can be served more effectively on an outpatient basis are not inadvertently and unnecessarily using hospital trauma centers and rooms.** Health care districts were established to ensure that those who need a hospital can be served in one on a timely basis within reach of their homes. Outpatient community services (prevention, treatment and aftercare) that are funded in part by the health care districts are most effective at ensuring that result, leaving more space for those who need the hospitals when they need them the most!

We work directly with all of the County and private hospitals in San Mateo County. We value the partnership, their services, and their genuine dedication to quality hospital care. Nothing I have written should be taken as a criticism of them. They do the best they can within the constraints they experience, and in this county we are blessed to have some excellent centers of care for our residents.

We also work with both of the local health care districts and find them thoughtful, responsive, accountable and efficient in their use of our tax dollars. The approach they have taken to transfer the complex hospital operations to private providers continues to make sense in the evolving health care climate. And more importantly for your inquiry, the approach they have taken to ensure that a full range of health care services is also available to every district resident, regardless of ability to pay, is every bit as vital to our community.

Thank you for your consideration.

Sincerely,
Bart A. Charlow, LMFT

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