

FILE NO. 010626

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1 **[St. Luke's Hospital Proposed Affiliation]**

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3 **Resolution urging the California Attorney General to exercise his full powers under AB**
4 **254 to conduct a health impact study of any proposed affiliation involving St. Luke's**
5 **Hospital, supporting the establishment of conditions for any potential affiliation**
6 **agreement between St. Luke's Hospital and another hospital or health system,**
7 **enumerating several such conditions, and urging the establishment of a committee to**
8 **assist in monitoring the implementation of conditions.**

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10 WHEREAS, St. Luke's Hospital is the last remaining full-service, independent,
11 community hospital in San Francisco; and

12 WHEREAS, St. Luke's Hospital has been a vital institution serving the Mission and
13 South of Market neighborhoods for the past 130 years; and

14 WHEREAS, The current climate of hospital financing threatens the survival of St.
15 Luke's Hospital; and

16 WHEREAS, The recent trend toward hospital mergers and acquisitions has too often
17 resulted in closure of emergency rooms, reduction in services, reduction in staffing levels,
18 reduction of charity care, and removal of decision-making authority from local communities to
19 remote corporate entities; and

20 WHEREAS, The continued survival of St. Luke's Hospital might require affiliation with
21 another hospital or health system; and

22 WHEREAS, The Board of Supervisors of the City and County of San Francisco
23 acknowledges and supports the strong desire of community members, hospital employees,
24 organized labor and San Francisco residents in general to keep St. Luke's Hospital open while

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1 preserving its historic mission as a community hospital with full services, appropriate staffing
2 levels and a commitment to caring for the uninsured; now, therefore, be it

3 RESOLVED, That the Board of Supervisors hereby urges the California Attorney
4 General exercise his full powers under AB 254 to conduct a health impact study of any
5 proposed affiliation involving St. Luke's Hospital and to impose conditions as necessary to
6 protect the public health and preserve St. Luke's charitable trust obligations to the residents of
7 San Francisco; and be it

8 FURTHER RESOLVED, That the Board of Supervisors supports the establishment of
9 written, enforceable conditions as the foundation of any affiliation agreement or financial
10 arrangement intended to keep St. Luke's Hospital open; and be it

11 FURTHER RESOLVED, That such conditions include the following:

- 12 1. All of St. Luke's clinical services and hospital departments shall be maintained
13 and operated at current or greater levels for at least five years subsequent to any
14 affiliation;
- 15 2. Linguistically and culturally appropriate staff and services shall continue to be
16 made available to neighborhood residents at current levels.
- 17 3. A Board of Directors including local residents, acting under St. Luke's charitable
18 trust commitments to the people of San Francisco, shall maintain the power to
19 approve St. Luke's operating budget, capital budget and strategic plan, and to
20 act as the sole employer of the hospital's CEO, and the majority of future
21 appointees to the St. Luke's Board shall be picked by a locally or publicly
22 accountable process.
- 23 4. St. Luke's shall be exempt from any policies of its affiliation partner requiring
24 resource transfers outside the City and County of San Francisco, so that it may
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maintain its historic commitment to spend all of its available resources in its host community, in accordance with its charitable trust obligations.

5. St. Luke's shall provide at least its 1995-1998 average level of charity care (3.9% of net patient revenue) or \$6 million in charity care, whichever is greater, for all years subsequent to any affiliation, and shall refuse service to no individual because of his or her inability to pay.

6. St. Luke's shall work with employee representatives to establish mutually acceptable safe staffing levels that shall be maintained for at least five years subsequent to any affiliation, shall ensure the continuation of collective bargaining rights and standards for St. Luke's employees, and shall establish plans for workforce retraining in the event of any service reorganization; and be it

FURTHER RESOLVED, That the Board of Supervisors urges the establishment of a committee including representatives of St. Luke's administration, physicians, registered nurses, other employees, and the community to assist in monitoring compliance with these conditions and that St. Luke's provide all financial and operational information from the hospital and its affiliation partner necessary for such a committee to fulfill its responsibilities.



City and County of San Francisco

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

Tails Resolution

File Number: 010626

Date Passed:

Resolution urging the California Attorney General to exercise his full powers under AB 254 to conduct a health impact study of any proposed affiliation involving St. Luke's Hospital, supporting the establishment of conditions for any potential affiliation agreement between St. Luke's Hospital and another hospital or health system, enumerating several such conditions, and urging the establishment of a committee to assist in monitoring the implementation of conditions.

April 16, 2001 Board of Supervisors — SEVERED FROM FOR ADOPTION WITHOUT COMMITTEE REFERENCE AGENDA

April 16, 2001 Board of Supervisors — AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE

Ayes: 9 - Ammiano, Daly, Gonzalez, Hall, Leno, McGoldrick, Newsom, Peskin, Sandoval

Absent: 2 - Maxwell, Yee

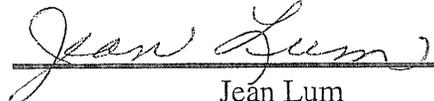
April 16, 2001 Board of Supervisors — ADOPTED AS AMENDED

Ayes: 9 - Ammiano, Daly, Gonzalez, Hall, Leno, McGoldrick, Newsom, Peskin, Sandoval

Absent: 2 - Maxwell, Yee

File No. 010626

I hereby certify that the foregoing Resolution was ADOPTED AS AMENDED on April 16, 2001 by the Board of Supervisors of the City and County of San Francisco.

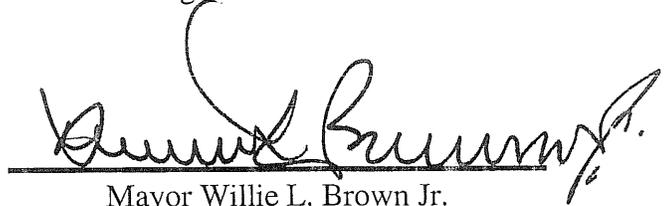


Jean Lum

Acting Clerk of the Board

'APR 27 2001

Date Approved



Mayor Willie L. Brown Jr.