Doctors Medical Center Management Authority, JPA Board Meeting

Wednesday, September 23, 2009
3:00 PM - Auditorium
Doctors Medical Center
2000 Vale Road
San Pablo, CA

DOCTORS MEDICAL CENTER MANAGEMENT AUTHORITY

Doctors Medical Center Management Authority,
JPA Board
Wednesday, September 23, 2009 – 3:00 pm
Doctors Medical Center - Auditorium
2000 Vale Road, San Pablo, CA 94806

AGENDA

1. Call to Order and Roll Call

2. Approve Minutes of Board Meeting of August 26, 2009

3. Public Comment
   [At this time persons in the audience may speak on any items not on the Agenda which are within the jurisdiction of the Doctors Medical Center Management Authority.]

4. Presentation and Acceptance of the August 2009 Financial Statements

5. Approval of Capital Expenditures:
   - Reconditioned Beds
   - New CT Scanner

6. Discussion and action on establishing a policy that maintains current wages for non-represented employees during the next fiscal year

7. CEO and Quality Report

8. Adjourn to Closed Session

Closed Session

Conference with Labor Negotiators (pursuant to Government Code Section 554957.6)
Agency Negotiators: Charm Patton, Vice President of Human Resources
Employee Organizations: California Nurse Association, Local 1,

9. Return to Open Session

Open Session

10. Report of Reportable Action(s) Taken During Closed Session, if any.

11. *Adjournment*

August 26, 2009
Minutes

DOCTORS MEDICAL CENTER MANAGEMENT AUTHORITY

Doctors Medical Center Management Authority
Governing Board Meeting
August 26, 2009 – 3:00 pm
Doctors Medical Center - Auditorium
2000 Vale Road, San Pablo, CA 94806

Minutes

1. **Call to Order and Roll Call – 3:05 p.m.**

Voting Members:	*Eric Zell* *Beverly Wallace* *Sharon Drager, M.D.* *Pat Godley* *William Walker, M.D.*
Absent:	*Supervisor John Gioia, Chair* *Supervisor Gayle B. Uilkema*

2. **Approval Minutes of Board Meeting of June 24, 2009**

The motion made by Dr. Walker and seconded by Dr. Drager to approve the minutes of the July 22, 2009 Board meeting was passed unanimously.

3. **Public Comment**

There were no public comments.

4. **DMC Outpatient Center Project/Presentation:**

David Ziolkowski, COO, reported on the hospital's strategic initiative to expand our outpatient services. A plan to provide a freestanding outpatient center in the San Pablo Towne Center was presented.

The creation of this new center will improve patient accessibility to outpatient services, enhance DMC image and community visibility, and decompress hospital congestion with facilities and parking.

In response to Mr. Zell's query regarding signage, Mr. Ziolkowski indicated that two key signage are included in the contract. David Ziolkowski will make sure the signage is referenced in the letter of intent as requested by Mr. Zell. Additionally, CPI will be capped at 2%.

Final costs of the project and building design will be presented at October's board meeting.

Dr. Sankary was present to attest to his medical group's interest in participating in this project.

The motion made by Ms. Wallace and seconded by Dr. Drager to approve the letter of intent to lease San Pablo Towne Center passed unanimously.

The motion made by Ms. Wallace and seconded by Dr. Walker to approve the letter of intent to sub-lease 3,500 square feet of San Pablo Towne Center to the Alliance Medical Group passed unanimously.

The motion made by Mr. Godley and seconded by Ms. Wallace to approve architectural contract to finalize space planning and construction costs of San Pablo Towne Center Outpatient Project in the amount of $37,500 passed unanimously.

5. **Presentation and Acceptance of July 2009 Financial Statements**

Richard Reid, CFO, reported July 2009 net income was a gain of $10,000, the average length of stay increased to 4.94 days and the average daily census was 76.5. He reported that the total cash balance is $16.7 million and there are 44.2 days of cash on hand.

The motion made by Dr. Walker and seconded by Mr. Zell to accept the financials for July 2009 passed unanimously.

6. **Approval of Resolution 2009-03 for the Authorization of New Signatories for Citibank and Mechanics Bank**

This agenda item was taken off the JPA agenda and will be added to the WCCHD agenda.

7. **Approval of Capital Expenditure: Anesthesia Machine**

a. Anesthesia Machine and Monitor Lease

David Ziolkowski, COO sought approval to execute on behalf of Doctors Medical Center (DMC), to lease equipment through MedOne Capital, three (3) Drager anesthesia machines and three (3) Philips monitors. The fiscal impact is $283,302.56 funded through the 2009 Capital budget.

The motion made by Dr. Walker and seconded by Dr. Drager to approve and authorize David Ziolkowski to execute on behalf of Doctors Medical Center, the lease of three (3) Drager anesthesia machines and three (3) Philips monitors through MedOne Capital passed unanimously.

8. CEO/Quality Report – Joseph Stewart, President/CEO

a. CEO Report

- Mr. Stewart reported that on August 20, a main city water line burst making it necessary for DMC Engineering to transfer the water service for the facility from city water to well water. The water line was fixed with no major catastrophe. As a result of this occurrence, DMC made a decision to put in place a second water line to avoid an occurrence like this in the future. The old water pipe line will remain as a back up.

- The request for 90 additional parking spaces was approved by the City of San Pablo. Completion of this project is projected in October 2009.

- Mr. Stewart informed the Board that the curbs around the parking lots would be pressure washed during the next 30 days.

- The last of the Nursing Boot Camps for the night shift staff was held to in service nursing staff in areas of nursing and practice operation of new equipment.

- The renovation of the Radiology room has been completed.

- Health Fairs sponsored by Chevron are being held on Thursday, Sept. 3 from 10-1 p.m. and Saturday, Sept. 12 from 10-12 p.m. DMC will have a display at both fairs.

- CHA Special Report, a newsletter published by the California Hospital Association was distributed to help Board members understand the impact of the economy on California hospitals.

b. Quality Update

- Mr. Stewart and Board members reviewed and discussed the overall Performance Improvement Plan for the hospital. Leadership's efforts to create a new and updated plan are reflected in the model before the Board tonight (see Appendix 1 to minutes). Four strategic areas were identified based on accumulation and analysis of performance data throughout the hospital. Specific PI projects associated with the four strategic areas will be presented at the next Board meeting:

  Mr. Stewart also presented the Board with the 1Q & 2Q, 2009 Press Gainey patient survey results. There was discussion regarding the various areas of targeted improvement and the dashboard scores. ***Director Zell requested to see how we do in comparison with other hospitals.***

- Mr. Stewart distributed "From the Top: The Role of the Board in Quality and Safety", a conference sponsored by the Institute for Healthcare Improvement (IHI) that is being held in Chicago on September 29-30, 2009. He encouraged the Board members to attend this very informational conference.

9. **Adjournment**

There being no further business to discuss, meeting adjourned at 4:40 p.m.

August 2009 Financials

Board Presentation

August 2009 Financial Report

September 23, 2009

Statement of Activity - Summary
For the Period Ending
August 31, 2009
(Thousands)

Actual M.T.D.	Budget M.T.D.	Variance		Actual Y.T.D.	Budget Y.T.D.	Variance
$11,182	$10,356	$826	Net Operating Revenues	$95,314	$93,714	$1,600
$11,588	$10,919	($669)	Total Operating Expenses	$92,206	$90,255	($1,951)
($406)	($563)	$157	Income/(Loss) From Operations	$3,108	$3,459	($351)
$665	$616	$49	Income from Other Sources	$5,232	$4,929	$303
$259	**$53**	**$206**	**Net Income/(Loss)**	**$8,340**	**$8,388**	**($48)**

Patient Activity
For the Period Ending
August 31, 2009

Actual M.T.D.	Budget M.T.D.	Variance		Actual Y.T.D.	Budget Y.T.D.	Variance
455	517	(62)	**Inpatient Discharges**	4,296	4,358	(62)
6,057	6,242	(185)	**Outpatient Visits**	52,744	51,482	1,262

Approval of Capital Expenditures

DOCTORS MEDICAL CENTER
DMC MANAGEMENT AUTHORITY, JPA BOARD
AGENDA ITEM REQUEST / RECOMMENDATION
DOCUMENTATION FORM

TO: **DMC MANAGEMENT AUTHORITY, JPA BOARD**

FROM: **David Ziolkowski, COO**

DATE: **September 23, 2009**

SUBJECT: **Reconditioned Beds**

REQUEST / RECOMMENDATION(S): Approve and authorize the Chief Operating Officer, or designee, to execute on behalf of DMC, an agreement with Hill-Rom to purchase 25 acute care beds, 10 ICU beds, 25 over-bed tables, and 25 bedside cabinets.

FISCAL IMPACT: $233,520.78
This will be funded through Capital budget, which was approved for 2009.

25 RECONDITIONED ADVANCE BED	Total $ 92,205.00
10 RECONDITIONED TOTALCARE BED	Total $106,104.00
25 OVERBED TABLE	Total $ 6,800.00
25 BEDSIDE CABINET	Total $ 8,640.00
TAX	Total $ 19,771.78
	Total $233,520.78

STRATEGIC IMPACT: By replacing the existing beds with a modern type, we can assure that the equipment is safe for patient use. By purchasing the 10 ICU beds, we can reduce our cost related to rental beds, as the Hill-Rom Total Care bed has built-in scales, and a cantilever feature which allows patients to be positioned when needed for respiratory needs.

REQUEST / RECOMMENDATION REASON, BACKGROUND AND JUSTIFICATION: The existing acute care beds were originally purchased in 1986, and have since been discontinued, which makes them impossible to repair. By replacing the existing beds with a modern type, we can assure that the equipment is safe for patient use. By purchasing the 10 ICU beds, we can reduce our cost related to rental beds, as the Hill-Rom Total Care bed has built-in scales, and a cantilever feature which allows patients to be positioned when needed for respiratory needs. This will also allow the ability to increase our capacity for the anticipated high census months.

Presentation Attachments: Yes ___ No ___

Requesting Signature: _____ Date: 9/18/09

SIGNATURE(S):

Action of Board on ___ / ___ / ___ Approved as Recommended _____ Other _____

Vote of Board Members:

____ Unanimous (Absent____)
Ayes: ____ Noes: ____
Absent: ____ Abstain: ____

I HEREBY CERTIFY THAT THIS IS A TRUE AND CORRECT COPY OF AN ACTION TAKEN AND ENTERED ON THE MINUTES OF THE BOARD ON THE DATE SHOWN.

Contact Person:

Attested _____
Eric Zell, Management Authority Board Secretary

Cc:
Accounts Payable
Contractor
CFO/Controller
Requestor

Hill-Rom

PROPOSAL #:	SP 6266207
Proposal Date:	09/15/2009
Expiration Date:	11/15/2009

Attn: CARL HANSERD
DOCTORS MED CTR-SAN PABLO CAMP
2000 VALE RD
SAN PABLO CA 94806-3808

For Questions / Correspondence Please Contact:
Hill-Rom Customer Service @ 800-445-3730
Fax: 812-934-8189
Architectural Products Fax: 812-931-2264
Email: us.customerservice@hill-rom.com

Customer #: 600995
Phone #: 510 970 5328

Your Account Rep.: KELLY-ANN EVANS
Mobile Phone #: 925-457-2140
Email: Kelly.Evans@Hill-Rom.Com

Qty	Product Information	Unit Price	Extended Price
25	RECONDITIONED ADVANCE BED Package: RA-150 Features Include: Voltage: 110 Scale Nurse Call, Entertainment, Lighting and Bed Exit Mattress Not Included ****NOTE**** Delivery must be made prior to December 31st, 2009.	$3,688.20	$92,205.00
	ALTERNATE		
10	RECONDITIONED TOTALCARE BED TotalCare Bed SystemPackage: RTC-155 Features Include: Voltage: 110 English Labels Short Stay Foam Surface In-Bed Scale/GCI/Bed Exit Standard Foot Panel 5" Urethane Locking Casters ********** OPTIONS INCLUDED IN ABOVE Totalcare Pkg RTC-155 $1.00	10,610.40	106,104.00
	ALTERNATE		
25	OVERBED TABLE Package: OBT-210 Features Include: Standard K-Base Laminate: 999 Undecided Urethane Trim Vanity Mirror Single Top	272.00	6,800.00
25	BEDSIDE CABINET	345.60	8,640.00

PROPOSAL #:	SP 6266207
Proposal Date:	09/15/2009
Expiration Date:	11/15/2009

Attn: CARL HANSERD
DOCTORS MED CTR-SAN PABLO CAMP
2000 VALE RD
SAN PABLO CA 94806-3808

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Fax: 812-934-8189
Architectural Products Fax: 812-931-2264
Email: us.customerservice@hill-rom.com

Customer #: 600995
Phone #: 510 970 5328

Your Account Rep.: KELLY-ANN EVANS
Mobile Phone #: 925-457-2140
Email: Kelly.Evans@Hill-Rom.Com

Qty	Product Information	Unit Price	Extended Price
	Package: BSC-100 Classic Bedside Cabinet Features Include: Swing Pull Handles Stain: 999 Undecided Laminate: 999 Undecided		
	***The above Advance bed and Totalcare bed quoted above are coming from Remanufacturing Inventory and are subject to limited availability		

Thank you for your interest in Hill-Rom products

TERMS AND CONDITIONS

Prices: Prices on Hill-Rom's proposal are subject to change, unless the proposal states that pricing is firm through the expiration date, as noted on the proposal. If delivery is requested after the expiration date, the price in effect at the time of the requested delivery will apply. Customer shall be billed for all applicable sales and other taxes until such time as Customer provides a tax-exempt certificate (resale certificate) to Hill-Rom with respect to such taxes. Applicable taxes will be calculated and billed at time of invoicing.

Cancellation: This contract when signed is an agreement of performance by both parties. In the event either party requests a termination of the contract, the other party must agree.

Payment Terms: Invoices are payable net thirty (30) days from date of invoice. Unless waived by Hill-Rom in writing, overdue invoices shall be subject to a late payment charge equal to the lesser of (i) one and one half percent (1 1/2%) per month or (ii) the maximum rate allowed by law. Customer agrees to pay Hill-Rom for any and all costs and expenses (including without limitation reasonable attorneys' fees) incurred by Hill-Rom to collect any amounts owed to it, enforce any of its rights or seek any of its remedies hereunder. In the event Customer has directed that the charges hereunder be billed to another person or organization, and payment is not made by such person or organization within ten (10) day after invoice date, Customer shall still remain liable hereunder. Customer is advised that the Customer may be obligated to properly reflect and/or report any discount, rebate or reduction in price in its costs claimed or charges made to federal (e.g. Medicare) or state (e.g. Medicaid) health care programs requiring such disclosure. The invoices provided by Hill-Rom to Customer may not reflect the net cost to the Customer. Customer shall make written request to Hill-Rom in the event Customer requires additional information in order to meet applicable reporting or disclosure obligations.

Installation: Unless otherwise agreed in writing, Customer shall perform any installation of products sold hereunder at Customer's expense. Hill-Rom agrees to furnish appropriate instructions and information to assist with the installation and/or first operation of the products.

Limited Warranty: For specific warranty information on Hill-Rom products and parts, please see owner's manual or review manuals on line at our website, www.hill-rom.com. THE FOREGOING WARRANTY CONSTITUTES THE SOLE WARRANTY MADE BY HILL-ROM AND IS IN LIEU OF ALL OTHER REPRESENTATIONS OR WARRANTIES EXPRESS OR IMPLIED OR STATUTORY, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND ALL OTHER REMEDIES. IN NO CASE SHALL HILL-ROM BE LIABLE TO CUSTOMER OR ANY THIRD PARTY FOR INDIRECT, SPECIAL, CONSEQUENTIAL OR INCIDENTAL DAMAGES OR DELAYS. NO EMPLOYEE OR REPRESENTATIVE OF HILL-ROM IS AUTHORIZED TO CHANGE THIS WARRANTY IN ANY WAY OR GRANT ANY OTHER WARRANTY.

Product Interface: Customer shall be responsible for ensuring to Customer's satisfaction that any equipment and accessories not supplied by Hill-Rom that are used with Hill-Rom products properly interface or operate with Hill-Rom products. Hill-Rom shall not be liable to Customer or any third person for personal injury or property damage arising from the use of third party equipment and accessories with Hill-Rom products.

Limitation of Liability: Hill-Rom shall not be liable for loss or damages due to delay in manufacture or shipment resulting from any cause beyond the Hill-Rom's control. Delays resulting from any such cause shall extend shipment date correspondingly. IN NO EVENT SHALL HILL-ROM BE LIABLE FOR SPECIAL, INDIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES, EVEN IF IT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THIS CONTRACT IS BETWEEN CUSTOMER AND HILL-ROM. Customer must make claims for shortages or errors within a reasonable time after receipt of the products. Hill-Rom reserves the right to use remanufactured or used components that meet new component specifications and are warranted as new.

Security Interest, Default and Insurance: Hill-Rom shall retain a security interest in the products until Hill-Rom has received full payment including taxes. Customer agrees to sign and deliver to Hill-Rom any additional documents required by Hill-Rom to protect its security interest. If Customer defaults or Hill-Rom deems itself insecure of the products in danger of confiscation, the full amount unpaid shall immediately become due and payable at the option of the Hill-Rom and on proper notice to the Customer, the Hill-Rom may retake possession of the products wherever located without court order and can resell or retain according to the laws of the state where products are located. The products shall not be considered a fixture if attached to any realty. Customer shall assume all loss relating from damage to the products occurring after the products leave Hill-Rom's control and shall provide adequate insurance therefore at all times until the purchase price shall have been fully paid. Hill-Rom reserves the right to request proof of such insurance at any time prior to full payment along with a statement from such insurer limiting cancellation or changes to said policy within ten (10) days after written notice of same to Hill-Rom.

Specifications: Specifications and drawings and any other information shall remain the property of Hill-Rom and are subject to recall at any time. Such information shall not be disclosed or used for manufacture of any products. In accordance with Hill-Rom's established policy of constant improvement, Hill-Rom reserves the right to amend its specifications at any time without notice.

Merger: These terms and conditions supersede any inconsistent agreements and understandings, oral or written, between the parties, including any terms and conditions in any documentation submitted by Customer to Hill-Rom, unless agreed to in writing by an authorized representative of Hill-Rom. Customer agrees and acknowledges that if Customer issues any further purchase orders, Hill-Rom will have no obligation to accept or otherwise honor any such purchase order.

Acceptance: This contract is subject to Hill-Rom's approval of Customer's credit. Written notice shall be given to Customer within 60-days of the date hereof if Customer's credit is deemed, is the sole discretion of the Hill-Rom, to be unsatisfactory. This contract of purchase and sale between the Customer and Hill-Rom relating to the products identified herein shall be subject to and shall include the terms and conditions hereof.

Choice of Law: This contract shall be governed by, and construed in accordance with, the laws of the State of Indiana.

Delivery and Shipment: Date of delivery shall be determined by mutual written agreement of the parties. No delivery date set forth in a Purchase Order shall be binding on Hill-Rom unless Hill-Rom explicitly agrees to such delivery date in a writing signed by an authorized representative of Hill-Rom. Shipment of all products shall be Net Freight on Board (FOB) Customer, with all costs of transportation and related insurance being the responsibility of Hill-Rom with the exception of costs of transportation and insurance for (i) service parts, (ii) shipments to points outside the continental U.S., or (iii) special delivery and/or air shipments requested by Customer. Unless otherwise explicitly agreed to by Hill-Rom in a writing signed by an authorized representative of Hill-Rom, Hill-Rom will prepay and add to the invoice for reimbursement by Customer any and all costs of transportation and insurance for delivery of service parts, shipments to points outside the continental U.S., and any special delivery and/or air shipments requested by Customer. Terms for shipping to Alaska and Hawaii shall be F.O.B. port of embarkment, prepaid and add from port of embarkment to destination.

Return Goods Policy: Should Hill-Rom ship products in error, Hill-Rom shall arrange and pay for return shipment of the products without applying a restocking fee provided that (i) Customer notifies Hill-Rom of the error within thirty (30) days of shipment; and (ii) the products are returned in "as shipped" condition. If Customer orders products in error and notifies Hill-Rom of the error within thirty (30) days of shipment, Customer may return the products in "as shipped" condition at Customer's cost and expense; however a restocking fee of 15% of list price will be applied. Notwithstanding the above, returns will be accepted on (i) architectural products, (ii) workflow solutions and other communications products, and (iii) any customized products or special orders only if and on the terms negotiated and agreed by the parties on a case by case basis.

Ordering: All Purchase Orders may be placed by mail, telephone or facsimile at the following:

Hill-Rom Company, Inc.	Hill-Rom Company
Attn: Customer Service	Attn: Customer Service
1069 State Route 46 East	1705 Tech Avenue, Unit 3
Batesville, Indiana 47006	Mississauga, Ontario L4W 0A2
Phone: 800/445-3730	Phone: 800-267-2337
Fax: 812/934-8189	Telefax: 905-206-0561

DOCTORS MEDICAL CENTER
DMC MANAGEMENT AUTHORITY, JPA BOARD
AGENDA ITEM REQUEST / RECOMMENDATION
DOCUMENTATION FORM

TO: **DMC MANAGEMENT AUTHORITY, JPA Board**

FROM: **David Ziolkowski, COO**

DATE: **September 23, 2009**

SUBJECT: **New CT Scanner**

REQUEST / RECOMMENDATION(S): Approve and authorize the Chief Operating Officer, or designee, to execute on behalf of DMC, to purchase a new CT Scan from Toshiba and radiology software from McKesson.

FISCAL IMPACT: $1,350,000
The project will be funded through the 2009 Capital budget for which $1,400,000 was budgeted. A 44 month lease for financing is available with $238,000 down payment and $20,000 monthly payments.

STRATEGIC IMPACT: DMC's current CT Scanner is almost 12 years old, and not on par with current industry standards. Useful life for a CT Scanner is typically 6 – 8 years. Replacing our current 4 Slice CT Scanner with a 64 Slice CT Scanner will improve productivity and throughput, reduce the radiation dose delivered to patients, and allow us to perform many new scans not possible with our older scanner.

REQUEST / RECOMMENDATION REASON, BACKGROUND AND JUSTIFICATION: Compared to our 4 Slice CT Scanner, the diagnostic accuracy will improve with a 64 Slice CT Scanner. They key attributes to better accuracy include the system speed, acquisition of a greater volume of detailed data, and the ability to reprocess the data for more definitive resolution. The 64 Slice CT Scanner includes the ability to perform procedures currently not available at DMC, such as:

- CT Angiography and Cardiac Imaging
- Nuero Studies for Stroke
- CT Colonography
- Pre-operative planning for Renal Cell Carcinoma
- Body Scans for detailed identification in lung lymph nodes, stomach, kidney, ovary, and liver

This scanner also features several enhancements to reduce radiation doses to patients by over 40%.

In addition to the enhanced clinical capability, actual scan time will be reduced by 50% (20-30 minutes vs. 10-15 minutes). The reduction in scan time will allow us to schedule more outpatients on a daily basis. With no incremental staffing, along with the ability to perform new studies in a more timely manner, DMC expects to increase outpatient volume ~10% which amounts to $100,000 - $200,000 in incremental annual revenue and will save $175,000 per year in annual maintenance and repair costs. Payback period on the CT will be 3 years.

Presentation Attachments: Yes _X_ No ___

Requesting Signature: _____ Date: 9/18/09

SIGNATURE(S):
Action of Board on ___ / ___ / ___ Approved as Recommended _____ Other _____
Vote of Board Members:

_____ Unanimous (Absent_____)
Ayes: _____ Noes: _____
Absent: _____ Abstain: _____

I HEREBY CERTIFY THAT THIS IS A TRUE AND CORRECT COPY OF AN ACTION TAKEN AND ENTERED ON THE MINUTES OF THE BOARD ON THE DATE SHOWN.

Contact Person: David Ziolkowski
Cc:
Accounts Payable
Contractor
CFO/Controller
Requestor

Attested _____
Eric Zell, Management Authority Board Secretary

TOSHIBA
Leading Innovation >>>

TOSHIBA AMERICA MEDICAL SYSTEMS, INC.

2441 Michelle Drive, Tustin, CA 92780
Phone: (714) 730-5000

Doctors Medical Center San Pablo

CT Proposal Summary

Toshiba America Medical Systems is pleased to propose the Aquilion Multislice CT scanners for installation at Doctors Medical Center, San Pablo, to replace the Aquilion 4 CT scanner that has served your community so well. This proposal does not include a trade-in but, when we have a realistic time frame for deinstallation, I would be pleased to determine the market value.

The Toshiba Aquilion platform is the most highly reviewed scanner available in the industry with a #1 rating from all the major independent industry survey groups including:

- MD Buyline (#1 for over 6 years)
- KLAS (Best in KLAS #1 ranking 3 years running)
- ECRI (only "Preferred" Cardiac scanner)
- Broadlane (Exclusive Toshiba agreement)

The proposal addresses all of Doctors Medical Center's possible wide needs. However, I can modify the proposal to match any subset of needs that you determine most important to your facility. Toshiba's base scanners include many of the applications and accessories required for general imaging typical of a busy community medical center that other vendors only include as costly options. Therefore, Toshiba's inclusive packages allow you to take advantage of leading CT technology, cost-effectively, without sacrificing accessories, services, and training. The Aquilion 64 is the most versatile CT scanner available for cardiac and peripheral imaging. Furthermore, the scanner is configured to perform all radiology and peripheral examinations with the best available combination of dose rates, image quality, and patient care.

Braodlane Advantages:

Because of Doctors Medical Centers affiliation with the Braodlane Buying Group, you can take advantage of the many extended features negotiated by, and offered only to Broadlane customers after signing a Broadlane Letter of Commitment (LOC). Some of the advantages included are:

- Preferred Pricing with special discounting
- Extended Warranty (3 years on each scanner)
- Aggressive after warranty service pricing (with Point of Purchase Service Contract)
- Extended Service coverage (8am to 9pm breakdown and preventative maintenance)
- No Deposit – 0/80/20 terms

And many more advantages.

This proposal includes:

Aquilion 64 Whole Body and Cardiac CTA Scanner
- 64x0.5mm, 32x1.0mm detector
- 350um resolution (Industry Best)
- Industry Largest Aperture – 72cm
- 7.5MHU MegaCool X-Ray Tube
- Wide Table for patient comfort
- Dual Operator Consoles for multitasking and speed
- Industry Best Image Quality – 0.2mm at 0.3% at 21mGy
- 3D Imaging on the console
- SureColon – Virtual CT Colonoscopy
- DICOM Print, Store, MWL, PCP (Study Split),

Including the following Cardiac Features
- 350ms rotation (Industry Best)
- 72kW Generator
- SureCardio with Phase Exact (Acquisition and Reconstruction S/W)
- ECG Monitor, ECG Scan Prospective, ECG Reconstruction
- SureCardio Prospective – Helical Prospective Acquisition saving up to 80% dose
- Fast Image Reconstruction – up to 28fps (Industry Best)
- Enhanced DICOM (60fps transfer supported by Vitrea and McKesson)
- Vitrea Cardiac and CFA Software
- Vitrea VScore Calcium Scoring Software
- Vitrea SurePlaque – Soft plaque detection, quantification, and characterization s/w

Including the following Neuro/Stroke evaluation features:
- SureSubtraction – True DSA Neuro Vascular Imaging (unique to Toshiba)
- Vital Images Vitrea Workstation with Vitrea Access & Vitrea Access Remote
- Vitrea Vessel Probe
- SurePerfusion – Brain Perfusion and Stroke Analysis

The systems also include the following Training:
- Power Conditioner
- Phase 1 training (2 technologists for 1 week each at Toshiba Academy all inclusive)
- Phase 2 training (1 week onsite training by Toshiba Applications)
- Phase 3 training (1 week follow up onsite training by Toshiba Applications)
- Extra Training (1 week follow up onsite training by Toshiba Applications)
- 2x Advanced Cardiac CT Course for Technologists (Toshiba Academy all inclusive)
- 2x CVCTA Level 2 Cardiac Ct Certification Course for Physicians

Full CT Accessory Kit
- 2x Adjustable Workstation Chairs
- Delivery, Installation, and Rigging
- 3 Year Warranty with full glass replacement, 8 to 9pm coverage, and 99% uptime*
- Image Maker Tool Kit (Marketing Kit to assist your facility in improving referrals quality and volume and patient experience)

*with signed Broadlane Letter of Commitment

Pricing Summary (All prices exclude sales tax)

Note: The prices below are Broadlane NON-committed pricing. When DMC-SP signs a Broadlane Letter of Commitment (LOC), further significant discounts will be realized.

Option	Price (including 2 year Warranty)	Annual Service (years 3, 4 and 5)
Aquilion 64 With Cardiac	$1,083,631.	$139,757.43

*Service pricing requires signed service agreement at time of equipment order.

Financing

	Advance Payment due on delivery of scanner	44 equal monthly payments
Aquilion 64 With Cardiac	$270,908.75	$19,349

Subject to credit approval

As a Broadlane member, Doctors Medical Center – San Pablo realize extra savings as the following items are included in this offer:

Feature	Value (approx. based on 64 Core system)
Preferred Price Savings (compared to aggressive community hospital selling price)	$100,000
2 year Warranty (addition 1 years of service)	$130,000
99% up-time (vs standard agreement of 98%)	$15,000
Extended Hours Service 8am to 9pm (Standard agreements go to overtime at 5pm)	$30,000
Extended Hours PM 8am to 9pm (Standard agreements go to overtime at 5pm)	$22,500
Further Discount on Point of Purchase pricing for years 3, 4 & 5	$19,000
Total Broadlane Value	$451,500

Braodlane Service Advantages:

Because of Doctors Medical Centers affiliation with the Braodlane Buying Group, you can take advantage of the many extended features negotiated by, and offered only to Broadlane customers after signing a Broadlane Letter of Commitment (LOC).

Feature	Non-Broadlane	With Broadlane LOC
Warranty	12 months including X-Ray tube (with signed service agreement at equipment point of purchase)	36 months including tube (with signed service agreement at equipment point of purchase)
Breakdown Hours	8am to 5pm	8am to 9pm
Preventative Maintenance	8am to 5pm	8am to 9pm
Uptime Guaranty	98%	99%
Aquilion 64 CORE with Cardiac Service Pricing*	$139,757.43 per year	Extra Saving Available with signed LOC

*pricing based on signed service agreement at equipment point of purchase.

RelayHealth
A McKesson Company

McKesson PROPOSAL FOR:

RelayHealth is proposing the implementation of our Results Distribution Service (RDS) and Messaging for DMC physicians as well as RelayHealth's side of the interoperability with physician's ambulatory EMR. In addition, Orders Manager *(Radiology connections only)* from physician's ambulatory EMR into Star HIS as well as RIS / PACs.

Assumptions

- Pricing reflective of a three year term and valid until 9/30/09.
- RelayHealth Services are provided through a web-based patient-physician and physician-physician communication platform.
- McKesson will be responsible for operating and maintaining RelayHealth Services and the RelayHealth Site.
- RelayHealth Services are hosted on servers owned or maintained by or for McKesson at a McKesson or McKesson approved site.
- Customer and Customer Users solely are responsible for all servers and other hardware, software, and services needed to connect to the RelayHealth Site and make use of RelayHealth Services.
- Customer, at its own cost and expense, will provide McKesson with the pre-load data requirements for Customer and all Customer users.

Set-up and Professional Services

Description of Service	QTY
Results /Radiology / PACS Distribution Service (RDS) – Set-up Fee	1
Message Manager – Set-up Fee Includes: • Kickoff activities • Project management/deployment planning • Marketing plan development • Provider directory upload	1
EMR Interoperability Professional Services –	
Integration to physician's ambulatory EMR [1]	1
[1] *Reflects fee associated with RelayHealth's side of the interoperability configuration with each EMR system.*	

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Implementation, Growth and Development

Description of Service	QTY
One Time Implementation, Growth & Development - Patient Message Manager, Results /Radiology / PACS Distribution Service (RDS), and Orders Manager RelayHealth to employ a train the trainer approach. Based on this assumption of 16 physicians, RelayHealth to provide 80 hours of implementation. Includes: • Practice Implementation & Training Activities • Workflow consultation • System configuration • Provider directory maintenance • Utilization reporting • Growth & development initiative planning and implementation	80 Hours

Subscription Services

Description of Service	QTY
Results Distribution Service (RDS) – Subscription Results Manager - *Initial Feed*	1
Patient Message Manager – Physician Service Subscription ▪ Patient to physician messaging ▪ Colleague to colleague messaging ▪ Referrals ▪ Web visits	16
Orders Manager – Radiology connections from physician's ambulatory EMR into Star HIS as well as RIS PACs ▪ Set-up ▪ 16 Physician Service Subscriptions	16

Investment Summary

Total One-Time Fee	**$**	**95,000**
Total Monthly Subscription	**$**	**2,084**