



## **2010 Annual Report to the City of Seattle**

Approved March 8, 2011 by the PHPDA Governing Council

**2010 Annual Report to the City of Seattle**  
***Pacific Hospital Preservation & Development Authority***

**Overview**

**Purpose and Mission**

The Pacific Hospital Preservation & Development Authority (PHPDA) is a public development authority established under Seattle Municipal Code 3.110 and a 501(c) (3) organization. In 1981, the City of Seattle chartered the PHPDA, placing in its trust the U.S. Public Health Service Hospital and its campus. The PHPDA purpose (per the revised Charter, as approved by the Mayor of Seattle on November 2, 2004) is to support and provide funding for the provision of the best possible health care to medically underserved communities in the greater Puget Sound area, including those referred through community clinics, those with limited access to medical care, and all others who are in need of charity health care.

The PHPDA currently leases the property, and lease revenues are used to support health care services to uninsured and underinsured Seattle-King County residents.

**2010 Priorities**

*(From 2009 Report to the City of Seattle)*

In our 2010 Report to the City, we identified three priorities in addition to our overall mission. They were accomplished.

- *Complete the Specialty Referral Pilot and disseminate findings*  
A pilot project was completed with the HealthPoint Clinic. The evaluation results were reported to safety net clinics.
- *Continue funding and evaluation of the Patient Navigator Pilot with Seattle Childrens' Hospital*  
A year 2 grant was approved (July 2010-June 2011). Quarterly reports indicated that positive results were being accomplished by this pilot
- *Review the PHPDA's programmatic priorities for 2011 and beyond*  
Interviews were conducted with key stakeholders. As a result the PHPDA determined its 2011 priorities.

**Priorities for 2011**

*(based on 2010 stakeholder interviews and depending on future revenue)*

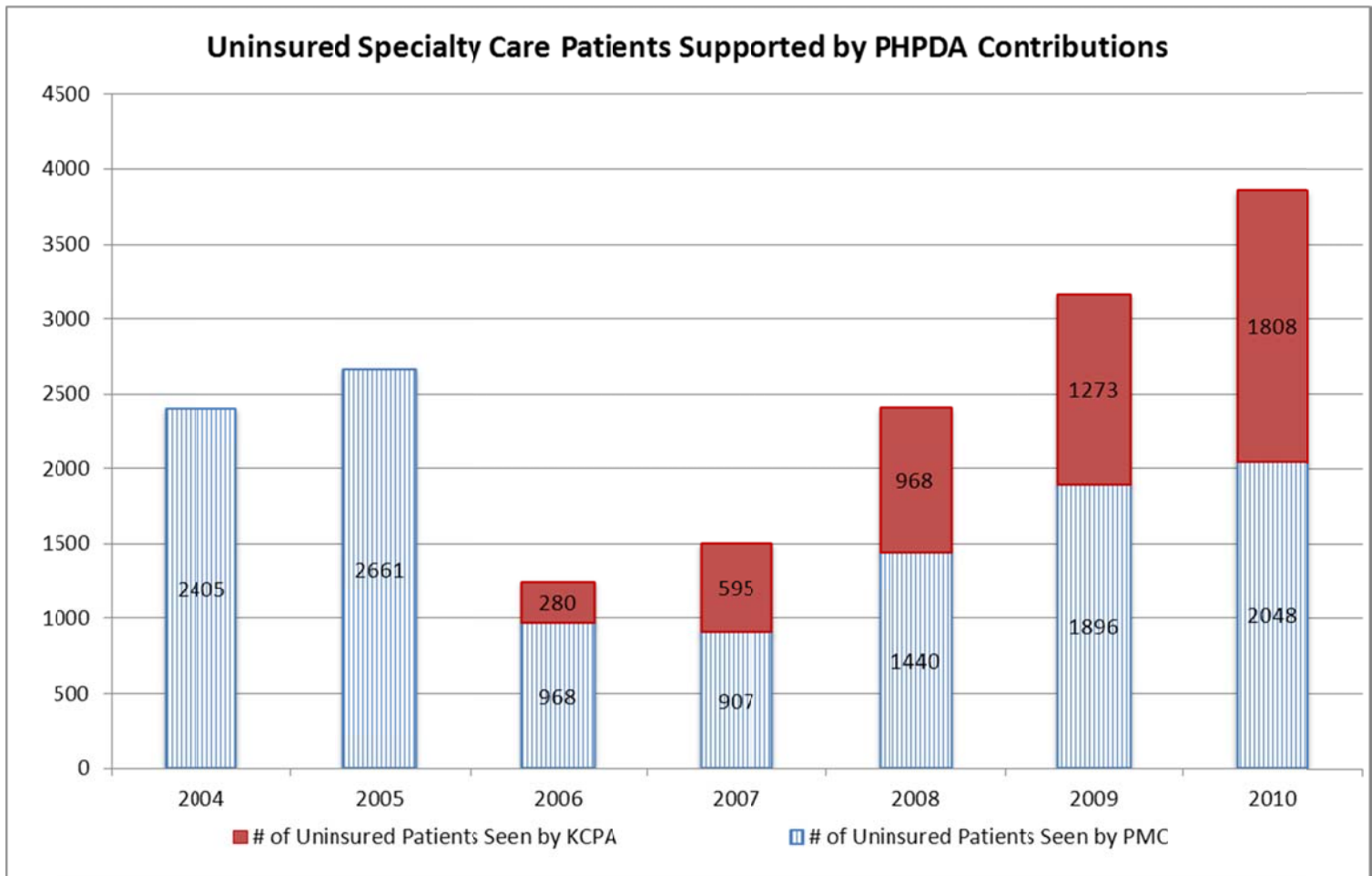
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- Retain our focus on specialty care access for uninsured and underinsured patients.
- Continue our match for Medicaid Interpreter Services through our Interlocal Agreement with the Washington State Department of Social and Health Services.
- Contribute to proving best (or emerging) practices in health care access for underserved or uninsured patients by investing with partners, such as the Patient Navigator pilot with Seattle Children's Hospital.
- Continue to support system change research to eliminate barriers to care.

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**Increase specialty access for the uninsured and underinsured**

The PHPDA exceeded its Charity Care patient goals in 2010. The Charity Care Goals were established in the PHPDA-King County Interlocal Agreement. They are: 1100 patients served and a baseline of \$1.5M expended for healthcare services for low income, uninsured or underinsured persons.



3,856 low income, uninsured patients received specialty care services in 2010 from the PHPDA's two grantees (Pacific Medical Centers and King County Project Access).

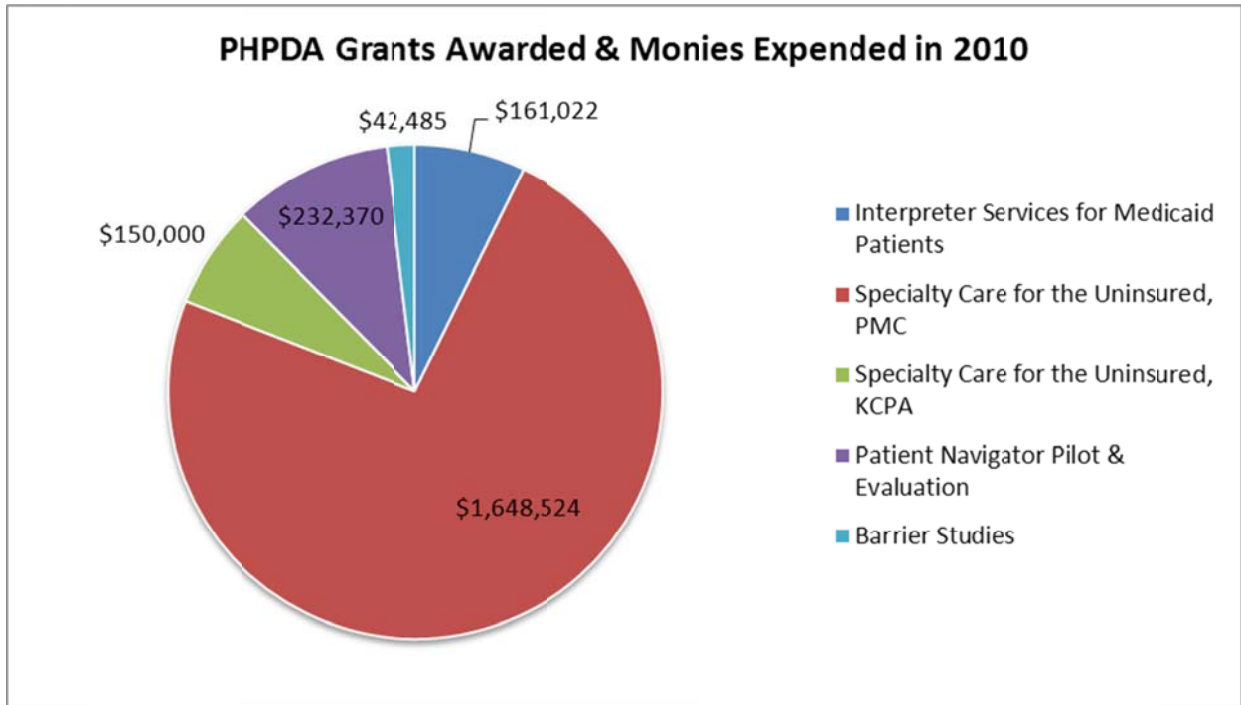
The PHPDA provided \$2.234M for direct healthcare services, studies, and pilot projects to eliminate barriers to access to healthcare for the uninsured and underinsured.

The PHPDA has an agreement with Pacific Medical Centers (the Charity Care Cooperation Agreement) under which the PHPDA underwrites Pacific Medical Center's direct provision of specialty care to the uninsured. Almost \$1.65M was provided to PMC to pay for these specialty services in 2010.

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In 2010, the PHPDA provided a \$150,000 grant to King County Project Access (KCPA). The PHPDA has been a significant funder of KCPA since its inception in 2006.

The PHPDA participates in the Medicaid Administrative Match Program administered by DSHS, under which the PHPDA contracts for interpreters for Limited English Proficiency Medicaid patients. In 2010, the PHPDA contracted Pacific Medical Centers to provide interpreters to Medicaid patients. In October 2010, DSHS changed the manner in which it reimbursed interpreter services. In 2010, the PHPDA expended \$161,022 for interpreter services, of which \$85,661 was reimbursed by DSHS.



**Financial stewardship**

Clark Nuber completed the 2009 external audit and reported compliance with policies and procedures. The 2010 external audit is scheduled for Spring 2011. The State Auditor conducted the 2008-2009 audit in 2010. The PHPDA received a clean audit report.

The Finance Committee reviewed financial statements on a monthly basis. On a quarterly basis, it reviewed credit card expenditures, the check register, employment tax payments, and retirement contributions. Financial policies are continually reviewed and updated, and new policies developed.

Additionally, the Finance Committee tracked investments on a monthly basis, making investment decisions accordingly.

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**2010 PHPDA Council Members and Officers**

The PHPDA is governed by a board of nine appointed members.

<b>Council Member</b>	<b>Position(s)</b>	<b>Employment</b>	<b>Term ends</b>	<b>Appointing authority</b>
Gary A. Zimmerman	Council Chair, <i>Ex Officio</i> Planning & Finance Committees	Fiske Genealogical Foundation	December 2010	PHPDA Council
Kevin P. Fox	Council Vice Chair, Finance Committee Chair	Bank of America	December 2011	PHPDA Council
Theresa J. Rambosek	Council Secretary, Finance Committee member	Bennett, Bigelow, & Leedom	December 2013	Mayor
Marite Butners	Council Treasurer, Finance Committee member	Providence Health & Services	December 2013	PHPDA Council
Marc Provence	Planning Committee member	University of Washington and Fred Hutchinson/UW Cancer Consortium	December 2011	Mayor
Linda Ruiz	Planning Committee Member	Retired	December 2012	Mayor
Wendy Watanabe	Planning Committee Chair & member	Consultant	December 2012	PHPDA Council
Lance Wilken	Finance Committee member	CB Richard Ellis	December 2012	King County Executive
Dr. Tom Wood	Planning Committee member	Swedish Medical Center	December 2011	Mayor
Rosemary Aragon	Executive Director			

**Financial Information**

**Operating Budget**

The PHPDA 2010 Operating Budget was approved on December 8, 2009. The PHPDA has no capital budget.

Revenues:	\$2,849,760
Operating Expenses:	\$397,958
Grants/Projects/Services:	\$2,451,802
Depreciation (non-cash):	\$963,198
Pass-Through Expenses*:	\$348,430

\*The PHPDA pays leasehold excise and property taxes on behalf of its three long-term tenants, and is subsequently reimbursed for these taxes.

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PHPDA revenue sources are: 1) rental income from the three long-term tenants, WRC.Com Tower, WRC.Com Development, and Pacific Medical Centers; 2) government grant (DSHS agreement-Medicaid Administrative Match funding for interpreter services); 3) lessee property and excise tax reimbursements, and; 4) interest income.

As of December 31, 2010, the PHPDA holds \$100,000 in its Operating Reserve Fund and \$100,000 in its Maintenance Reserve Fund.

The PHPDA's Crime Coverage insurance policy protects the PHDPA from theft and loss of/damage to money, securities and other property sustained by PHPDA officers and staff.

**List of Depositories**

PHPDA monies are deposited in a Bank of America checking account. Additional monies are invested in the State & Local Government Investment Pool, a CD with Regal Financial Bank, a CD with Sterling Savings Bank, and CD with 1<sup>st</sup> Security Bank.

**Certified statement of assets, liabilities, income, and expenses for 2009 and 2010**

The December 31, 2009 PHPDA Financial Statements and Schedules (with Independent Auditors' Report thereon) were transmitted to the City of Seattle in July, 2010. The 2010 Audit will be transmitted upon completion.

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**Attachments**

- 1. Certificates of Insurance**
- 2. PHPDA 2010 Operating Budget**
- 3. Resolution 27-2009, approving the 2010 Operating Budget**