

**COUNCIL OF THE DISTRICT OF COLUMBIA
NOTICE OF INTENT TO ACT ON NEW LEGISLATION**

The Council of the District of Columbia hereby gives notice of its intention to consider the following legislative matters for final Council action in not less than **15 days**. Referrals of legislation to various committees of the Council are listed below and are subject to change at the legislative meeting immediately following or coinciding with the date of introduction. It is also noted that legislation may be co-sponsored by other Councilmembers after its introduction.

Interested persons wishing to comment may do so in writing addressed to Cynthia Brock-Smith, Secretary to the Council, 1350 Pennsylvania Avenue, NW, Room 5, Washington, D.C. 20004. Copies of bills and proposed resolutions are available in the Legislative Services Division, 1350 Pennsylvania Avenue, NW, Room 10, Washington, D.C. 20004 Telephone: 724-8050 or online at www.dccouncil.us.

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COUNCIL OF THE DISTRICT OF COLUMBIA

PROPOSED LEGISLATION

BILL

B17-275 Closing of a Public Alley in Square 347, S.O. 06-5596, Act of 2007

Intro. 07-06-07 by Councilmember Evans and referred to the Committee on the Whole

PROPOSED RESOLUTIONS

PR 17-355 Alcoholic Beverage Control Board Peter B. Feather Confirmation Resolution of 2007

Intro. 07-03-07 by Chairman Gray at the request of the Mayor and referred to the Committee on Public Works and the Environment

PR17-356 Medicaid Psychiatric Residential Treatment Facilities State Plan Amendment Approval Resolution of 2007

Intro. 07-03-07 by Chairman Gray at the request of the Mayor and referred to the Committee on Health

COUNCIL OF THE DISTRICT OF COLUMBIA

PROPOSED LEGISLATION

PROPOSED RESOLUTIONS cont.

- PR17-357 Renewal of the Medicaid Mental Retardation and Developmental Disabilities Section 1915 (c) Home and Community-Based Services Waiver Approval Resolution of 2007
- Intro. 07-03-07 by Chairman Gray at the request of the Mayor and referred to the Committee on Health
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- PR17-358 Medicaid State Plan Amendment to Implement the Stevie Sellows Intermediate Care Facility for the Mentally Retarded Quality Improvement Fund Approval Resolution of 2007
- Intro. 07-03-07 by Chairman Gray at the request of the Mayor and referred to the Committee on Health
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- PR 17-386 Compensation Agreement for Employees Represented by National Union of Hospital and Health Care Employees, 1199 (NUHHCE), American Federation of State, County, and Municipal Employees (AFSCME), Local 3758, AFL-CIO Approval Resolution of 2007
- Intro. 07-09-07 by Chairman Gray at the request of the Mayor and referred to the Committee of the Whole
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- PR 17-394 Compensation Agreement for Employees Represented by American Federation of Municipal Employees, Local 2095 and American Federation of Government Employees, Local 383 Approval Resolution of 2007
- Intro. 07-09-07 by Chairman Gray at the request of the Mayor and referred to the Committee of the Whole
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- PR 17-395 Washington Convention Center Authority Board of Directors James Josef Abdo Confirmation Resolution of 2007
- Intro. 07-09-07 by Chairman Gray at the request of the Mayor and referred to the Committee on Economic Development
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- PR 17-396 Washington Convention Center Authority Board of Directors Mitchell N. Schear Confirmation Resolution of 2007
- Intro. 07-09-07 by Chairman Gray at the request of the Mayor and referred to the Committee on Economic Development
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COUNCIL OF THE DISTRICT OF COLUMBIA**NOTICE OF INVESTIGATION BY THE
COUNCIL OF THE DISTRICT OF COLUMBIA
COMMITTEE ON HEALTH**

Pursuant to the sections 601 and 602 of the Rules of Organization and Procedure for the Council of the District of Columbia, Council Period 17, effective January 3, 2007 (Res. 17-1; 54 DCR 156), notice is hereby given by the Secretary to the Council, Cynthia Brock-Smith, that on July 10, 2007, the Committee on Health filed in the Office of the Secretary to the Council, a Council resolution authorizing an investigation by the Committee, including the use of subpoenas, into issues surrounding patient safety, quality of care, corporate governance, and fiscal management at Greater Southeast Community Hospital, and whether Greater Southeast Community Hospital and its parent company, Envision Healthcare, Inc., are in compliance with the laws and regulations of the District of Columbia.

The text of the resolution follows:

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A RESOLUTION

17-281

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

July 10, 2007

To declare the existence of an emergency with respect to the need to authorize an investigation by the Council of the District of Columbia's Committee on Health, pursuant to section 413(a) of the District of Columbia Home Rule Act, into the operations of Greater Southeast Community Hospital and its parent company, Envision Healthcare, Inc.

RESOLVED, BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this resolution may be cited as the "Greater Southeast Community Hospital Investigation Emergency Declaration Resolution of 2007".

Sec. 2. (a) Greater Southeast Community Hospital ("GSCH") is a 450-bed facility that serves as a critical access point for thousands of District residents seeking health services. It is the only hospital located east of the Anacostia River.

(b) In 1999, Doctors Community Healthcare Corporation, now known as Envision Healthcare, Inc. ("Envision"), purchased GSCH out of bankruptcy. Since then, service delivery at the hospital has steadily deteriorated, placing the health and safety of District residents at serious risk.

(c) In January 2007, GSCH officials informed the District of their intention to discontinue obstetrics services at the hospital. As the same time, the Medical Executive Committee at GSCH submitted a letter to District officials expressing "serious concerns about the ability of Greater Southeast Hospital to provide basic patient care." This letter prompted a review by the District of GSCH's operations and standards of care.

(d) Meetings between members of the Council, Department of Health ("Department") officials, GSCH management, and labor representatives revealed a disturbing picture of a facility where patient safety and quality of care were at risk. Among other things, serious concerns regarding staffing, equipment, and supply shortages were raised.

(e) According to March 2007 correspondence from GSCH officials, priority capital equipment needs at the hospital exceed \$16 million, including such essential items as anesthesia machines, X-ray systems, ventilators, and echocardiogram machines, as well as basic supplies such as patient call systems and blood pressure monitors. The same correspondence identified a need for an additional 56 employees, including a clinical lab supervisor, a critical care nurse director, a pharmacist, and a director of medical records.

(f) During the spring of this year, GSCH's operations continued to deteriorate. The

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failure of GSCH to pay Innovative Staffing Services, Inc., a staffing agency that supplied GSCH with approximately 80% of its emergency room nursing staff, led to the severance of that vendor's contract. As a result, the hospital's emergency room was so severely understaffed that it went on diversion, closing its doors to emergency vehicles for the weekend of May 11 through May 13, 2007.

(g) According to the most recent figures obtained by the Committee on Health ("Committee"), GSCH has closed its emergency room, gone on diversion, or closed OB/GYN services for a total of 899 hours – on average, 6 hours per day. This is, by far, the most of any District hospital.

(h) In response to the growing threat GSCH's instability poses to the health and safety of District residents, the Committee held a public hearing on May 23, 2007, on the status of patient safety and quality of care at GSCH. The Committee questioned representatives of Envision, including Chief Executive Officer Paul Tuft, about its fiscal management and corporate governance of the hospital and about how its practices have led to the rapid decline of the hospital's ability to serve its patients in a safe and effective manner. The Committee also received testimony from the Department, the Department of Mental Health, labor representatives, and members of the medical staff at GSCH as to the unsafe conditions at the facility.

(i) At the May 23, 2007, hearing, the Committee raised significant concerns about how GSCH has been managed by Envision. In particular, the Committee reviewed the conditions that had led the hospital to re-enter bankruptcy in 2002. Specifically, court documents revealed that in the year prior to declaring bankruptcy, Envision, then known as Doctors Community Healthcare Corporation, engaged in a multitude of questionable financial activities, including payments to Tuft-Redman Enterprises, a company owned by Tuft, of approximately \$4.3 million in chartered travel expenses, \$601,500 of which were made 90 days before bankruptcy papers were filed. In addition, the pleadings show that Tuft received more than \$3 million in compensation the year preceding bankruptcy. The bankruptcy papers also reveal a web of nepotism that includes payments to the sisters, brothers, wives, husbands, and in-laws of shareholders. At the same time of these questionable financial activities, GSCH failed to keep current on invoices, which led vendors to sever relationships with the company, leaving the hospital in a constant state of uncertainty regarding available services and staffing levels.

(j) Following the May 23, 2007, hearing, the Committee requested additional information from Envision necessary to continue the Committee's review of the matter, including details regarding the governance structure at both GSCH and Envision, financial statements for GSCH, including all outstanding debts and overdue accounts, and all governing health and safety protocols. The Committee also requested that Envision provide a remediation plan for GSCH. A complete response was never provided.

(k) The May 23, 2007, hearing prompted renewed scrutiny of GSCH by the Department. From May 29, 2007, to June 1, 2007, the Department conducted thorough on-site inspections of GSCH and the GSCH-managed ambulatory care center ("ACC"), located on the D.C. General Hospital campus. The Department's preliminary report showed severe staffing deficiencies,

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medical supply shortages, and inadequate medical equipment, including 3 blood pressure units and 4 anesthesia machines that had not been serviced or calibrated due to a lack of payment to vendors. The final report also cited serious patient safety concerns, including the failure to complete medication reconciliation forms and an inability to provide proper respiratory treatment, and found that "maintenance services were not adequate to ensure that [GSCH] was maintained in a safe and sanitary manner."

(l) On the same day that the Department began its on-site inspections of GSCH and the ACC, ACC physicians walked off the job claiming that GSCH owed them nearly 3 months' wages. At present, GSCH receives more than \$200,000 a month to assist with the operations of the ACC. The failure of GSCH to pay its physicians resulted in a serious disruption in patient care, including the rescheduling or cancellation of many appointments. Since June 2001, the District has paid GSCH nearly \$46 million in access-maintenance payments to support health-care services on the former D.C. General Hospital Campus. At present, the Committee estimates that GSCH receives well over \$5 million a year to operate the ACC, including access-maintenance payments and reimbursements for services provided. It is unclear to the Committee why GSCH is unable, or unwilling, to pay its staff and contractors in a timely manner.

(m) Based on its report, the Department provided GSCH with a statement of deficiency on June 8, 2007, and requested that GSCH submit a plan of correction. According to the Department, GSCH's plan of correction, submitted June 18, 2007, "fails to adequately address all the deficiencies identified." The Department found that the plan of correction failed to address quality assurance, provided completion dates that were either too far in the future or not specific, failed to provide an interim plan for staffing deficiencies, and failed to adequately address equipment, housekeeping, pharmaceutical, radiology, and laboratory deficiencies. The Department forwarded these findings to GSCH on June 22, 2007, and outlined the additional information needed before the plan of correction would be considered acceptable. The Department gave GSCH until June 26, 2007, to submit a revised plan of correction.

(n) On June 25, 2007, the Committee held another public hearing on the status of GSCH. The Department provided an update on its inspections and the progress being made toward correcting certain deficiencies. Though invited, GSCH's officials refused to participate.

(o) On June 26, 2007, GSCH submitted a revised plan of correction as required by the Department.

(p) On June 29, 2007, the Committee held another public hearing on the status of GSCH. The Department testified that it is satisfied with GSCH's plan of correction. However, the Department also testified that the success of the plan depends on the continued weekly financial support from Envision in an amount of \$500,000. Without these resources, the Department stated that the operations of GSCH would be profoundly compromised.

(q) The viability of GSCH is of enormous importance to the entire healthcare infrastructure of the District. Its deterioration not only affects those individuals who utilize the hospital as their main point of care, but the District as a whole, for GSCH currently provides over \$26 million in community care services, including breast and cervical cancer screenings, inpatient and outpatient care for Medicaid beneficiaries, acute care for individuals with mental

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illness, and health services for individuals housed at the D.C. Jail.

(r) The District has worked hard to secure additional resources and services for GSCH, including acute care mental health beds, detoxification services, and the District's emergency psychiatric program. However, GSCH has rejected the District's assistance and has not increased capacity. In addition, GSCH has failed to improve its billing system, which would allow it to claim funds to which it is entitled under the District's Medicaid program.

(s) Recent effort by GSCH to implement a plan of correction was well received by the Committee. However, the Committee notes that similar promises have been made by GSCH and its parent company, Envision, in the past. To ensure compliance with the plan of correction, the Committee must have access to information that GSCH and Envision have refused to provide. Without this information, the Committee is unable to conduct meaningful oversight into patient safety and quality of care at GSCH.

(t) To ensure that the Council is accorded adequate legal authority to obtain necessary and relevant information regarding patient safety, quality of care, corporate governance, and fiscal management at GSCH, and whether GSCH and Envision are in compliance with the laws and regulations of the District of Columbia, the chairperson of the Committee on Health must be given the authority to conduct an investigation, including the use of subpoenas, pursuant to the authority provided in section 413(a) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 789; D.C. Official Code § 1-204.13(a)), and section 601 of the Rules of Organization and Procedure for the Council of the District of Columbia, Council Period 17.

Sec. 3. The Council of the District of Columbia determines that the circumstances enumerated in section 2 constitute emergency circumstances making it necessary that the Greater Southeast Community Hospital Investigation Emergency Authorization Resolution of 2007 be adopted on an emergency basis.

Sec. 4. This resolution shall take effect immediately.

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A RESOLUTION

17-282

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

July 10, 2007

To authorize, on an emergency basis, an investigation by the Council of the District of Columbia's Committee on Health, pursuant to section 413(a) of the District of Columbia Home Rule Act, into the operations of Greater Southeast Community Hospital and its parent company, Envision Healthcare, Inc.

RESOLVED, BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this resolution may be cited as the "Greater Southeast Community Hospital Investigation Emergency Authorization Resolution of 2007".

Sec. 2. The Council of the District of Columbia finds that the circumstances surrounding the management of Greater Southeast Community Hospital warrant the conduct of an investigation, led by the chairperson of the Committee on Health, including the use of subpoenas, pursuant to the authority provided in section 413(a) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 789; D.C. Official Code § 1-204.13(a)), and section 601 of the Rules of Organization and Procedure for the Council of the District of Columbia, Council Period 17. The investigation will examine issues surrounding patient safety, quality of care, corporate governance, and fiscal management at Greater Southeast Community Hospital, and whether Greater Southeast Community Hospital and its parent company, Envision Healthcare, Inc., are in compliance with the laws and regulations of the District of Columbia.

Sec. 3. This resolution shall take effect immediately.