

City of Cambridge

The Health and Hospital Committee held a public hearing on March 20, 1996, beginning at 6:35 pm in the Sullivan Chamber for the purpose of considering a proposal for the reorganization of the Cambridge Hospital as an authority.

Present at the hearing were Councillor Timothy J. Toomey, Jr., Chair of the Committee, Vice Mayor Kathleen L. Born, Councillor Henrietta Davis, Councillor Francis H. Duehay, Councillor Anthony D. Galluccio, Mayor Sheila T. Russell, Councillor Michael A. Sullivan, and City Clerk D. Margaret Drury. Also present were Robert W. Healy, City Manager; Richard Rossi, Deputy City Manager; John O'Brien, Commissioner of Health and Hospital; James Malone, City Manager for Finance and Ellen Semonoff, Human Services Department.

Councillor Toomey convened the hearing and explained the purpose. He introduced Robert W. Healy and invited him to make a presentation.

Mr. Healy stated that the aim of the proposal is to preserve the mission of the Cambridge Hospital and to continue the excellent service that the Hospital has delivered over the years.

Mr. Healy then described the structure of the proposed Cambridge Public Health Commission. The Commission would be established as a separate public entity. The Board would be approved by the City Manager.

Mr. Healy stated that there have been regular meetings with representatives of the hospital labor unions. The meetings have been very constructive.

Mr. Healy then introduced Larry Gage, President of the National Association of Public Hospitals and Health Systems. Mr. Gage stated that members include the Cambridge Hospital and over 100 other major safety net hospitals. On average, 60% of services are provided to low income patients.

Mr. Gage then discussed the enormous pressures on the hospital system. All hospitals are fighting for survival. Public hospitals seeking to keep up with private hospital need to become autonomous entities. The proposed legislation is an excellent response. Very few public hospitals are operated directly by city or county government. He distributed information sheet entitled "Public Hospital Structures: Overview" (Attachment A).

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Councillor Duehay asked where the new network will get its money, in light of the disappearing federal funds and the large percentage of low income people. Mr. Gage said the industry is going through a significant downsizing, but the market is not disappearing.

Councillor Duehay asked for outstanding examples of public hospitals with the competitive skills necessary to meet the challenges. Mr. Gage named the Detroit Medical Center, Denver Health and Hospitals Department. Mr. Gage stated that he would provide additional written information to the committee.

Councillor Galluccio asked for more information about the advantages of the authority form of organization for specific institutions, including specifics of how the authority form of organization has helped them, and what has happened to the amount of the city tax contribution.

Councillor Sullivan asked for a thumbnail sketch of what happened to all of the public hospitals that existed in the early 80's. Mr. Gage said that of larger urban hospitals, very few have closed; most have been reorganized or merged. Most closure have been in smaller areas. There are 1300 in the country; in the 60's there were 1500. Public hospitals have not been closing at any greater rate than private.

Mr. Gage said the move is away from hospitals all together, and to an outpatient system and whole life health. That cannot be done by a hospital standing alone; an integrated health care system is necessary.

Councillor Born asked why other hospitals chose other structures. Mr. Gage cited a variety of reasons including speed of decision making. Different reasons exist in different environment.

Mr. Healy said that on the local level, this is the least drastic of the options. The legislature does contain provision that would allow the City Council to change the form again without going back to the state legislature.

Councillor Born asked whether a public authority means the City Council retains more control than in some of the other forms. Mr Gage said that depends more on the actual provision of the legislation rather than the name.

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Councillor Born asked whether a big reason is to take the hospital out of the political arena. Mr. Gage agreed that the delay of the political decision making process is one of several reasons for changing the organization. However, the current proposal maintains a degree of control that is much higher than would be recommended if this were the major issue.

Councillor Born asked whether he had ever advised municipalities or hospitals not to take this step and he replied that he had indeed advised hospital to take different paths.

Councillor Born asked how the City Council would know if this ended up being a mistake after it happened. Mr. Gage said that there are so many areas of ongoing accountability that there is not much worry about that.

Councillor Duehay asked what would happen to the assets of Cambridge Hospital if it were to merge with a national chain in five years. Would the authority have the right to dispose of the assets; or would the city get them back? Mr. Gage said that he assumes the goal of developing the assets was to provide city services. This is a goal that several other municipalities have pursued through these forms.

Councillor Galluccio stated that the City Council obligation involves a balancing of the commitment to health care with obligations to taxpayers in a city that is very expensive, especially for working and middle class residents. Taxpayers have asked him why other hospitals such as Beth Israel don't want to merge with Cambridge. He stated that a close look at Somerville Hospital's financial position is crucial. Councillor Galluccio asked where the patients could be served if the hospital closed.

Councillor Sullivan observed that he assumed Mr. Gage would classify Cambridge Hospital not as a sinking ship but rather as a ship weathering a severe storm. Mr. Gage agreed.

Mr. Healy said that the financial plan is for the commission to ultimately reduce city payments by \$17 million over the seven year contract period.

Councillor Davis asked about Mr. Gage's role. Mr. Healy said that Mr. Gage was asked to provide an analysis this evening as part of the opening presentation; but that he is too busy to be the Council's staff consultant.

Councillor Davis asked to see some of the information presented in tabular form. She requested information on what happens to assets, control/role of City Council.

Councillor Toomey requested that the City Councillors provide resumes of potential staff assistant/consultant to the committee.

Councillor Duehay requested that the City Auditor attend these meetings.

Mr. Healy then introduced Mamie Zschokke, a partner of KPMG Peat Marwick, and the audit partner in charge of the Cambridge Hospital since 1993. Ms. Zschokke said that hospital financial statements as of June show \$36 million assets, and \$31 million current liability. This leaves five million left over. The hospital current ratio is 1.17, which is quite low.

Councillor Duehay said that this analysis is not useful for the City Council. The City Council needs a complete valuation of assets.

John O'Brien said that there are standards for valuing assets. However the plan is to lease the assets from the City of Cambridge; so there has not been a major focus on this issue.

James Maloney agreed that the proper business perspective is a balance sheet. He said that it appears that the Councillor Duehay is looking at a real estate appraisal. A full blown appraisal would be expensive and would take time to produce. Ballpark estimates could be done in house.

Councillor Duehay said that at this time ballpark figures would be fine.

Vice Mayor Born asked about the hospital's cost situation. Mamie Zschokke said that the hospital does not have excess revenue.

John O'Brien then introduced Mary Ann Hart, Chair of the Health Policy Board. Ms. Hart stated that the Health Policy Board began its discussion two years ago, and has voted unanimously to support the proposed legislation.

Councillor Sullivan stated his hope that employees who have put their heart and soul into working for Cambridge Hospital will continue to be given the treatment and recognition they have earned.

Councillor Sullivan asked about the apparent conflict in the Section 14 protection that the City Council must approve a merger but there is the ability to turn the whole thing over to private management without the Council's approval.

John O'Brien said that he would take a look at how to strengthen that.

Councillor Sullivan stated that he is pleased to see that Neville Manor is in the mix. He hopes it will not just sway in the wind; that additional resources will go into Neville.

John O'Brien said that Neville Manor will operate at a \$2 million loss this year. They are trying to develop a mechanism to change the mix of services and keep Neville Manor viable.

Mr. Healy said that he believes the seven year finance plan makes sense at this time. It will be determined over time whether the plan works.

Councillor Sullivan asked Mr. O'Brien if he plans to remain with the ship and Mr. O'Brien said that he would.

Councillor Duehay thanked Ms. Hart and the Health Policy Board. He then asked about the schedule for making this decision.

Councillor Sullivan suggested scheduling several committee meetings, with some designated as working sessions, and others as including public comment.

Councillor Galluccio stated that he would like to see more information about current assets because he would like more exploration of possible return of taxpayer dollars. Mr. Healy said that he would prepare the seven year projection. He also said that he would provide the City Council with a summary of the debits that must be balanced against the assets that the City Council wants to look at.

Councillor Galluccio emphasized his concern with protection for current employees and employees who are Cambridge residents, in terms of any layoffs because of duplication of services in the Somerville merger.

Mr. Healy said that Mr. O'Brien and Mike Gardner have been meeting on a regular basis with union representatives. The unions will be less secure if this proposal does not occur.

Councillor Toomey stated his concern with protection of current employees.

Mr Healy suggested that the next meeting involve a point-by-point discussion of the proposed legislation.

Councillor Galluccio expressed his appreciation for Mr. Healy's fiscal negotiations.

Councillor Toomey then opened the meeting for public comment. He read a letter from Ted Hansen, Chair of the Board of the Cambridge Visiting Nurse Association, informing the Council that the Visiting Nurses Board voted unanimously to support the proposed authority.

Mayor Emeritus Alfred Vellucci, Porter Road, stated that if it wasn't for the Cambridge Hospital, he would not be here tonight. Cambridge is a complex changing city. People are very frightened about whether they will have health care and a future. Hospital employees have concerns about losing their jobs. He stated that he hopes this plan is the idea that can be a solution for the future.

James Cassidy, President of Local 195, stated that he represents about 500 of the employees involved in these negotiations are ongoing. He would like to reserve his right to make comments after the negotiation.

Arthur Santoro, 17 Arcadia Park, Somerville, stated his concern with the funding cuts being made by the federal government.

The meeting was adjourned at 9:10 p.m.

For the Committee,



Councillor Timothy J. Toomey, Jr., Chair

REPORT ACCEPTED. PLACED ON FILE.

PUBLIC HOSPITAL STRUCTURES: OVERVIEW

HOSPITAL AUTHORITY

Separate body corporate and politic existing independent of local government; separate board with governmental involvement

Denver General Hospital¹
 Erlanger Medical Center (Chattanooga, TN)
 Fulton-DeKalb Hospital Authority (Grady Memorial Hospital, Atlanta, GA)
 Hawaii State Hospital System²
 Lake Taylor Hospital (Norfolk, VA)
 Louisiana Health Care Authority
 Tampa General Hospital
 University of Colorado Hospital

HOSPITAL DISTRICT

Independent instrumentality of the state government with taxing authority and defined geographic boundaries

Amarillo Hospital District
 Dallas County Hospital District
 (Parkland Memorial Hospital)
 Harris County Hospital District (TX)
 North Broward Hospital District (FL)
 South Broward Hospital District (FL)
 Tarrant County Hospital District (TX)

PUBLIC BENEFIT CORPORATION

Distinctive corporate entity providing a public benefit to state residents

New York City Health & Hospitals Corporation
 Jackson Memorial Hospital (Miami, FL)
 Indianapolis Health & Hospitals Corp. (Wishard Memorial Hospital; managed by Univ. of Ind.)

NON-PROFIT CORPORATION

Created pursuant to a state's non-profit corporation statute; often under contractual agreement with the local government

Dimensions Health Corporation (Prince Georges Cty., MD)
 Hermann Hospital (Houston, TX)
 Lakewood Hospital (OH)
 Medical Center of Central Georgia
 Memorial Medical Center (Savannah, GA)
 MetroHealth Medical Center (Cleveland, OH)
 North Oakland Medical Center (MI)
 Phoebe Putney Medical Center (Albany, GA)
 The Regional Medical Center at Memphis
 St. Louis Regional Medical Center
 Truman Medical Center (Kansas City, MO))
 Universities of Florida, Maryland and West Virginia

SALE, LEASE, MANAGEMENT CONTRACT

Transfer to or merger with pre-existing healthcare entity(ies)

Bernalillo County Medical Center, (managed by University of New Mexico)
 Boston City Hospital³
 Brackenridge Hospital (Austin, TX; leased by Daughters of Charity)
 Detroit Receiving Hospital
 Harborview Medical Center (managed by University of Washington)
 Froedtert Memorial Lutheran Hospital (Milwaukee, WI; acquired public John Doyne Hospital)
 St. Paul-Ramsey Medical Center
 University Hospital, Louisville (managed by partnership of Jewish Hospital HealthCare Services and Alliant Health System)
 Wishard Memorial Hospital (managed by University of Indiana)

¹ In process of converting to separate state authority.

² In process of converting to separate state entity.

³ In process of converting to public commission, pending combination with private Boston University Medical Center.

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City of Cambridge

The Health and Hospital Committee held a public meeting on March 27, beginning at 7:35 p.m. in the Sullivan Chamber for the purpose of continuing the discussion of a proposed reorganization of the Cambridge Hospital as an authority.

Present at the hearing were Councillor Timothy J. Toomey, Jr., Chair of the Committee, Vice Mayor Kathleen L. Born, Councillor Francis H. Duehay, Councillor Anthony D. Galluccio, Councillor Kenneth E. Reeves, Mayor Sheila T. Russell, Councillor Michael A. Sullivan, Councillor Katherine Triantafillou, and City Clerk D. Margaret Drury. Also present were Robert W. Healy, City Manager; John O'Brien, Commissioner of Health and Hospitals; James Lindstrom, Auditor.

Councillor Toomey convened the hearing and explained the purpose. He requested that Mr. Healy begin the presentation. Mr. Healy introduced Attorney John Faria, who worked on the draft legislation. He began with a summary of the legislation.

Councillor Duehay asked whether section 1 (c) would mean that the City Manager or City Council would have to approve any further mergers.

Attorney John Faria said that the section operates with section 14. No further State Legislature approval is required, but the City Council would have to approve other mergers.

Mr. Faria said section 1 (c) would provide for the Somerville merger without any further City Council approval. Mr. Faria then moved to Section 3, which covers the acquisition of Somerville Hospital. Mr. Faria noted that the legislation would allow Somerville Hospital to continue to be a nonprofit.

Councillor Duehay asked if Somerville Hospital employees would be treated the same way as Cambridge Hospital. Mr. Faria said that the legislation does not cover this.

Councillor Duehay asked whether it guarantees city employees their same benefits. John O'Brien said that union negotiations are ongoing with Cambridge Hospital employees. Somerville Hospital is not unionized, but there will be terms in the acquisition agreement regarding fair and equitable treatment.

Councillor Reeves asked about the liability limitation. Mr. Healy said that the intent is to extend the municipal, tort liability limit of \$100,000 to the entire entity. Mr. Faria said that Somerville Hospital will be publicly owned.

Councillor Reeves asked if the public commission will be assuming the current debt and liability of Somerville Hospital. Mr. O'Brien said that the commission will assume liability.

Councillor Duehay requested a copy of the report of Somerville's liabilities and certification of the amount. Mr. O'Brien noted that there is a nondisclosure agreement with Somerville Hospital that affects some of the information available.

Councillor Sullivan asked whether this could be the subject of executive session. Mr. Healy agreed that it would be preferable if it could be a matter for executive session.

Councillor Galluccio asked whether Somerville Hospital was acquiring the Heritage Hospital, formerly Central Hospital. Mr. O'Brien said that Somerville Hospital did put in a letter of intent because it was very concerned about it being acquired by a competition. Mr. O'Brien stated that the Cambridge Hospital's opinion is that this is a very good opportunity. Councillor Galluccio requested financial reports and overview statements for the past few years for Cambridge Hospital, Somerville Hospital and Heritage Hospital.

Councillor Galluccio requested an analysis of all potential liability of the City of Cambridge in this legislation. Mr. Faria said that one of the principal purposes of the legislation is to set limits on obligation. The liability that remains with the city will be general obligation debt incurred in the past. There shouldn't be any contractual liability if the City isn't a direct party.

Councillor Duehay noted that in section 4 the City Manager can remove board members "for cause" and requested an explanation of the term. Mr. Healy said that it is relatively common standard that requires that the action be defensible, not arbitrary and capricious. Mr. O'Brien added that the board's by laws will articulate some of the reasons for dismissal.

Councillor Duehay noted problems of using only the current board for nominations of future board members. Mr. O'Brien noted that the Board will be ultimately liable and responsible for the quality of health care.

Councillor Toomey stated that he would like to see a representative of the labor unions on the Board.

Vice Mayor Born asked who appoints the Cambridge Housing Authority Board. Mr. Healy said that he appoints four, the state appoint one. Their compensation is a small bonus in good years.

Vice Mayor Born asked about the CRA. Mr. Healy stated that the appointment is the same, Mr. Healy appoints most the state appoints one; there is no compensation.

Councillor Triantafillou asked whether Mr. Healy is satisfied that the legislation transfers to the commission all the functions that should be transferred and limits the liability to the City as much as possible.

Councillor Triantafillou asked whether the City would have any liability for bonds issued by the Commission. Mr. Faria said that the City could decide to incur debt on behalf of the authority, but the Commission's revenue bonds would not obligate the City.

Councillor Triantafillou asked about the provision for a board of health. Mr. Healy said that the legislation leaves open the possibility of returning to a board of health if at some future date the City Council is not satisfied with the way that the commissioner fulfills the City's public health responsibilities.

Councillor Sullivan noted that there is no prohibition on paying the Board of Trustees.

Councillor Reeves asked about the general practice. Mr. O'Brien said most not-for-profit hospitals do not compensate board members; some large for-profit hospitals do.

Councillor Galluccio asked how the civil service provisions would work for a current civil service employee who wanted to transfer into another position. Mr. Healy said that the new job wouldn't be civil service but the person would still retain a right to go back to civil service.

Mr. O'Brien noted that he expected changes in the management rights language in the proposed legislation in response to union negotiations.

Councillor Galluccio asked if there could be a way to give Cambridge employees preferential treatment vis a vis Somerville employees. Mr. Healy said that the existence of collective bargaining units in Cambridge will result in some of this because of the significant protection offered by their unions.

Councillor Triantafillou said that setting up a system that purposely treats Cambridge employees better than Somerville employees would be illegal discrimination as well as unwise.

Councillor Triantafillou said that civil service does not offer satisfactory protection for employees.

Councillor Sullivan asked whether agreements with unions will be completed prior to signing agreement. Mr. Healy stated that this is the goal.

Councillor Reeves stated that civil service in recent times does not serve the City well. He expressed his hope that the Commission will continue to be a caring employer.

Councillor Toomey asked about in-house bidding rights for Commission employees. Mr. O'Brien stated that it is not currently in the legislation; he is trying to reach agreement.

Councillor Sullivan asked whether under section 7 (b) if other Hospitals are not providing free care, it would become tax burden. Mr. O'Brien said that this would be subject to agreement with the City Council.

Councillor Duehay asked whether the contract would specify the exact public health services that will be provided to the City. Mr. O'Brien said that it will. Councillor Duehay said that the free care and public health needs should be specified, even if the City Council's appropriation does not cover all of the needs. Councillor Duehay stated that he would like to have a model of what such a statement would look like.

Vice Mayor Born asked under what circumstances the City might not renew its contract with the Commission. Mr. O'Brien said that maybe if all of the other money for free care continues to be cut, the City might feel unable to meaningfully continue. The City would reserve the right to renegotiate its contracts every year.

Vice Mayor Born asked about the real estate plans. Mr. O'Brien said the goal is to allow the Commission to carry the real estate on the books as assets and to ensure that if were to be taken over by some for-profit entity, etc, the real estate would revert to the City. He added that he believes this can be accomplished by a lease arrangement.

Councillor Sullivan stated his hope that the Commission maintain offices in Cambridge and would hold a significant portion of board meetings in Cambridge. Mr. O'Brien said that the home office will always be in Cambridge.

Councillor Sullivan noted his reservations regarding the provision requiring City Manager approval only for a management contract for "substantially all of the networks."

Mr. O'Brien said that the City Council's leverage is from the requirement that the City contracts be reviewed by the City Council every year.

Councillor Sullivan questioned whether the approval required for disposal of assets in excess of \$1 million should be City Council approval.

Councillor Duehay agreed. The City Council should approve transfer of more than \$1 million; the City Manager should approve \$100,000 to \$1 million.

Councillor Reeves agreed that this section needs more work. He stated his belief that it is crucial to have ownership of the real estate remain with the City.

Councillor Sullivan expressed his desire that "Cambridge" remains in the name of the institution.

The discussion then moved to the provision for tax exempt status. Councillor Sullivan said that if the Commission becomes a cash cow, there should be consideration for the tax support the City has provided.

Councillor Duehay noted that there is no explicit prohibition against merger with a for-profit entity. Mr. Faria stated that it is his opinion that such a merger would be impossible under the proposed legislation as presently drafted. In response to a question for Councillor Duehay, Mr. Faria said that the law could be strengthened.

Councillor Galluccio requested an overview of the current medicaid situation. Mr. O'Brien said that the biggest threat is for changes to the uncompensated care pool. Mr. O'Brien would like to see HMO's and insurers contribute.

Councillor Duehay said that he did not believe it would be a good idea to drop section 14 or to draft it so that it would be necessary to go back to the state legislature.

Councillor Duehay noted that he had written a letter to the City Auditor and would like to get his written response. He asked about the schedule for getting to the goal of submitting legislation. Councillor Toomey responded that legislation should go to the state legislature no later than early May.

Councillor Galluccio requested that the City Clerk prepare a summary of the list of questions and information requested by City Councillors.

Councillor Galluccio requested that the process for hiring a staff.

Councillor Toomey then invited public comment. There was none.

The meeting was adjourned at 10:20 p.m.

For the Committee,

A handwritten signature in cursive script, appearing to read "Timothy J. Toomey, Jr.", written in dark ink.

Timothy J. Toomey, Jr., Chair

City of Cambridge

The Government Operations Committee held a public meeting on March 28, 1996, beginning at 10:15 a.m. in the Sullivan Chamber for the purpose of considering a process for responding to the City Manager's goals and objectives and setting up a hiring process for the Deputy City Clerk position.

Present at the hearing were Councillor Micahel A. Sullivan, Chair of the Committee, Vice Mayor Kathleen L. Born, Councillor Henrietta Davis, Councillor Francis H. Duehay, and City Clerk D. Margaret Drury.

Councillor Sullivan convened the hearing and explained the purpose.

Councillor Sullivan stated that he would prefer a shorter statement of the City Manager's goals and objectives.

Councillor Duehay noted that a proper response to the City Manager's goals and objectives would take significant time, and the City Council has a very full calendar at this time.

Vice Mayor Born reported on a NLC seminar on helping the City Council work together. There was a suggestion that the Government Operations Committee arrange for presentations on goal setting, working together, and total quality management. Councillor Duehay said that the key to doing this is to have six, seven or eight members of the City Council who are willing to commit themselves to spending the time and working on the issues. Councillor Sullivan said that the City Council needs an informal setting for the exchange of ideas. It was agreed that the Government Operation's Committee will explore the Council's interest in working together in a structured but informal mode to develop goals and may recommend one or two goal-setting meetings in the fall.

Discussion then turned to the hiring process for the Deputy City Clerk.

Councillor Duehay brought up the issue of the input of the City Clerk.

Councillor Sullivan said that there needs to be input on the dynamics of the organization, and it was agreed that the Clerk should review resumes and provide input to the Committee.

Councillor Duehay suggested a discussion of the qualities that the Committee will value.

Councillor Duehay raised the issue of the need for research capabilities; and the City Clerk observed that the day-to-day demands of the Clerk's office leaves very little time for research.

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Vice Mayor Born asked about the residency ordinance. The Committee discussed the requirements and agreed on the importance of looking very closely at all resident resumes. Vice Mayor Born then listed the qualities she had emphasized in making her selections.

It was agreed that the most important qualities are writing ability, excellent detail and organizational skills, computer skills and supervisory skills.

Councillor Duehay said that it is important to consider affirmative action in selecting interview candidates. He suggested trying to interview no more than six or eight people. He requested that the City Clerk ask each member of the City Council to give her their top six or eight candidates no later than Friday. Then the City Clerk will compile the recommendations and the Committee will interview from that group.

Councillor Sullivan requested that the City Clerk arrange for a response to be sent to all applicants.

Vice Mayor Born asked about the format for interviews.

Councillor Sullivan said that all can be involved. Councillor Duehay said that any member of the City Council can participate in the interviewing.

The meeting was adjourned at 11:40 a.m.

For the Committee

A handwritten signature in black ink, appearing to read "Michael A. Sullivan". The signature is written in a cursive style with a large initial "M".

Councillor Michael A. Sullivan, Chair

City of Cambridge

The Ordinance Committee held a public hearing on March 28, 1996, beginning at 5:30 p.m. in the Sullivan Chamber for the purpose of considering proposed amendments to the Street Performance Ordinance (Attachment A).

Present at the hearing were Councillor Francis H. Duehay, Chair of the Committee, Vice Mayor Kathleen L. Born, Mayor Sheila T. Russell, Councillor Michael A. Sullivan, and City Clerk D. Margaret Drury. Also present were Deputy City Manager Richard Rossi, Deputy City Solicitor Donald Drisdell, Pallas Lombardi, Director of the Arts Council and Lindsay Field, Arts Council.

Councillor Duehay convened the hearing. He began the meeting with an explanation of the procedure for enacting amendments to the City Ordinances and an explanation of the format of the hearing.

Councillor Duehay then requested that the proponents of the ordinance make a presentation.

Pallas Lombardi, Director of the Arts Council, stated that the proposed amendments were drafted by the Arts Council. The amendments are the products of meetings over the past year with representatives of the Harvard Square Business Association, Winthrop Park Trust, the Cambridge Office for Tourism, the performers and the Arts Council. She stated that all of the suggested changes have been agreed upon by all of the parties, and that they have been reviewed by the City Solicitor.

Ms. Lombardi drew the Committee's attention to three major changes. Section C1 provides for an increase in the permit fee from \$25 to \$40 to fund an increase in monitoring hours. The season is April to October, prime time, but permits run from January through December. Each year the Arts Council issues about 550 permits. Monitoring has been effective and has reduced complaints, but monitoring hours need to be increased.

Ms. Lombardi stated that the other significant proposed amendments are in sections G.2. through G.4. Proposed section G.2. provides for suspension of a permit for up to 30 days after three tickets within one calendar year. Proposed section G.3 provides for revocation of a permit for the remainder of a calendar year after five tickets and after a public hearing before the Arts Council provided for in section G.4.

Ms. Lombardi then introduced Linda Non, Arlington, monitor for the Arts Council. Ms. Non said that her monitoring last year was mostly in the evenings, and there is a big need for weekend day monitoring.

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Councillor Duehay asked how many persons received three or more tickets. Lindsay Field said that last summer three received three tickets and four received four. She believes that this represents an overlap of the same people.

Richard Rossi voiced his support for the work that was done to arrive at the proposed amendments. He lauded the cooperation of all parties. Mr. Rossi pointed out that the amendments also propose excluding Quincy Park from the performance areas. He described the extensive public meetings regarding the development of the park and the strong opposition of residents to allowing street performances in the park.

Councillor Duehay asked whether Mr. Rossi thought the changes were adequate to deal with the complaints the City Manager's office receives. Mr. Rossi said that he believes they are adequate and reasonable.

Mayor Russell asked whether business people were adequately involved in the discussion. Lindsay Field said that Kristen Sudholz, Harvard Square Business Association, came to all the meetings, as did the Harvard Square Defense Fund.

Mayor Russell asked whether Harvard Square residents were involved. Lindsay Field said that residents attended the meetings.

Councillor Sullivan asked whether it would be possible to provide for immediate revocation of licenses for anyone who performs in Quincy Square park.

Don Drisdell, Deputy City Solicitor, stated that it could be possible, but it should include all of the excluded areas. It is probable that a court would uphold such a provision. He noted that this subject is governed by First Amendment standards; so that a court will look at whether the least restrictive alternative has been used.

Councillor Sullivan requested that Mr. Drisdell draft two proposed amendments for the City Council's consideration. The first would provide for revocation of a permit, after a hearing before the Arts Council, after a single citation for performing in an excluded area. The second would provide for a warning and thereafter for suspension or revocation after a single citation for performing in an excluded area.

Kristen Sudholz, Executive Director, Harvard Square Business Association, resident of St. Botolph Street, Boston, spoke in support of the proposed amendments. When she first took the job, she received hundreds of complaints each summer from businesses in the Square. The Arts Council, especially Lindsay Field, was very cooperative. The meetings went on for nine months. A very positive dialogue with the performers ensued. This ordinance will protect street performers from the few "bullies".

Ms Sudholz noted that the definition of "performance" is very important to the businesses because there were many instances of peddlers calling themselves performers who really were in competition with the businesses. The definition makes it clear that performance is something ongoing that can be enjoyed by passersby without paying a fee.

Ms. Sudholz stated that the Harvard Square Business Association takes no position on the Quincy Square issue.

Councillor Duehay asked whether the dialogue with street performers is continuing, and Ms. Sudholz stated that it is. They want to keep up the dialogue because it works.

Councillor Duehay asked how this proposal will improve the City recourse to deal with the small but noisy problem of "street bullies." Ms. Sudholz noted that the revocation and suspension will be a big improvement because now there is no enforcement mechanism to make the performers pay the tickets or to keep performers from violating the ordinance day after day.

Councillor Duehay stated that he is troubled by the small number of tickets issued. Ms. Sudholz noted the need for additional monitoring hours.

Councillor Duehay asked whether the Business Association had considered paying for some of the monitoring . Ms. Sudholz stated that the Association would be open to discussing this.

Maura Smith, Director of Tourism, resident of Kinnaird Street, spoke in support of the proposal. She stated that the street performers are a real asset to tourism in Cambridge. As a Harvard Square business person, she is well aware of the need for reasonable limitations on the street performances. This proposal represents a good faith effort on everyone's part to come up with a reasonable compromise.

Councillor Duehay asked whether the Office for Tourism could pay for monitoring and whether the Tourism office had thought about performers in others areas of the City.

Councillor Sullivan stated that budget wouldn't allow the Office for Tourism to pay for monitoring but that she is very interested in interesting tourists in other city areas.

Ned Landin, 67 Prescott Street, voiced his appreciation for the inclusiveness of the process. He said that he supports the proposed ordinance. It doesn't reflect entirely the business point of view; nor it is exactly what the performers want. He added that he believes that the suspension provision will be very effective; a 30-day suspension for a performer is huge. He added that he is very excited by the changes in Central Square, and hopes to perform there more. He urged more of a compromise regarding Quincy Square Park.

Councillor Duehay explained that there were many public meetings about the Quincy Square Park and the City Council wanted the park, many residents did not want a park if street performers could perform, and the City Council did agree to limiting street performers to get the park built.

Luke Hunsberger, Western Avenue, street performer, stated that because all the performers don't know the rules, he would suggest having at least one warning before suspension or revocation. He spoke in support of the provision extending the hours. He added that the possibility of suspension will make the performers take the tickets much more seriously.

Jim McComb, 95 Highland Road, spoke in support of the proposal and emphasized the importance of more monitor hours.

David Rovicks, Jamaica Plain, street performer, spoke in support of the proposed amendment; especially more hours and more "teeth" in enforcement. He noted that another issue is rotation of spots. He expressed concern with the Quincy Square Park exclusion.

Councillor Duehay asked for a show of hands in support, and seventeen people raised their hands.

Ned Landin suggested an amendment on page 3 to specify that prohibition is on performance in front of doorways of open buildings.

Councillor Duehay then requested testimony in opposition.

Edward Ayoub, Somerville, stated that he is a occasional performer and he is proposing a lesser fee for one day performers, a "visitor's permit" just to keep it open to out of town occasional performers.

Councillor Sullivan said that he would be interested in the performers thoughts on this matter.

Mr. Ayoub suggested an addition to the definition of performance in section A.1. to add that a performance does not include playing the recorded music.

Councillor Sullivan asked about the possibility of having street performer's awards. Ms. Smith said that that could be part of a street performers festival, which the Office for Tourism has discussed.

Councillor Duehay requested that the group which had drafted the ordinance through the Arts Council inform the City Clerk of any additional recommended changes.

Councillor Born asked about the visitors permit. She stated that she knew of a 12 year-old child who wanted to play on one day. Ms. Lombardi stated that there is not much demand for this. Councillor Born suggest about thinking about a junior performer's one day permit for kids who couldn't afford \$40.

Councillor Born asked about the rotation issue. Ms. Sudholz said that the decision of the group was to try a more voluntary rotation. There were also concerns about the difficulty of administration of a formalized rotation.

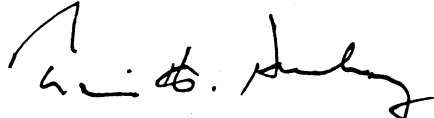
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Councillor Duehay expressed his appreciation for all of the work that has been accomplished. He stated that he expects the report of this hearing to go before the City Council on April 8, 1996. If the working group that prepared this proposal would like the Council to consider some of the additional suggestions made in this hearing, the group should communicate its position to the City Council.

Councillor Sullivan moved that the proposed amendments be referred back to the City Council, and the motion passed unanimously on a voice vote.

The hearing was adjourned at 6:52 p.m.

For the Committee

A handwritten signature in black ink, appearing to read "Francis H. Duehay". The signature is written in a cursive style with a large initial "F" and "D".

Councillor Francis H. Duehay, Chair

Ideas for 150th Parade

Grand Marshall(s) in horse drawn vehicle or 50's convertible??

Marching bands: (12)

- + Middlesex County Volunteers Fifes and Drums 15 - 30 people, accurate musician's dress uniforms from Washington's 1779 colonial army. Available
- + Boston Crusaders Senior Drum and Bugle Corps, Rich Gobbi
70-100 people, traditional--some variety of relaxed uniform. Available
- + Reading High School, VERY good, Dave Bunten, Music Dept. They are available and are sending video tape (return), 110 people and growing.
- ++ Sons of Italy, Haverill, Italian Drum Corps--good and splashy. They wear green and white uniforms and do a lot of maneuvering. (Haven't reached yet.)
- + Boston University, red and white uniforms, they are available and will send tape, 100 to 120 people.
- ++ Boston College, good but expensive, Baybank is a likely sponsor...
- + Clan MacPherson Pipe Band, they are available, and will pencil us in; we should let them know within a couple of weeks. The dress is full Black Watch regimental, there are 15 to 20 members.
- ++ Cambridge Harmonica Orchestra (They will need a flat bed truck.)
- ++ Samba Band with dancers - Deraldo Ferreira
- + Steel Pan Band - Mackie Burnette - (will also need a truck) Available
- + Hot Tamales Brass Band is available, they have penciled us in.
- ++ African Drumming group (talk to DeAma)

Other performing groups:

- + Cycling Murrays, Spoke with Tegan, date is free, she will pencil us in, let her know by 4/10.
- ++ Stiltwalkers

Budweiser Clydesdales (3/18--have drafted letter for Kathy Born's and Michael Sullivan's signatures. Maryellen will put on 150th letterhead and send to Will Anastas, Will says they will let us know fairly soon. Checked with MDC--only issue is clean-up; also no alcohol advertising.

Minature donkeys in red harnesses

Antique cars - drivers in costume --contest, prize "CAR TALK", look for clubs

bicycles (decorated--have contest, prizes by age group)

fire trucks--try to get antiques as well as new

Horse-drawn vehicles (Talk to people at Faneuil Hall?)

Historic vignettes/pageants (Place Fife and Drum Corps next to costumed marchers) Talk to Historic Society and neighborhood councils, schools?

Floats (contest/prizes by categories--community, business, etc.)

Girl and Boy Scouts

Clubs and Organizations - encourage development of theme

Cambridge Chronicle

Longfellow House

Cambridge Community Center

No Frills

The Druid (they have great costumes)

Chamber of Commerce

Tourism

Business Associations

Dance Complex

Positive Edge

CAOS

Library

Community Chorus

Dante Alighieri

Folk Arts Network/Street Artists Guild/Passim

Cambridge Art Association

CCTV

Community Art Center

GNE Music

1359 Jazz Club

CMAC

African-American Historical Society (check name)

VFW

Churches, Temples

Visiting Nurses Association

Historic Society

galleries: Piano Dave's, Zeitgeist, etc.

Harvard, MIT, Lesley, Cambridge College

Cambridge Center for Adult Ed.

Youth Centers

A

DRAFT AMENDMENTS PROPOSED BY THE ARTS COUNCIL
January 12, 1996

12.16.170 Street performers.

The City Council finds that the existence in the City of street performers provides a public amenity that enhances the character of the City and seeks to encourage such performances to the extent that they do not interfere with the reasonable expectations of residents to the enjoyment of peace and quiet in their homes or to the ability of businesses to conduct their businesses uninterrupted. This section seeks to balance the interests of the performers with those of the residents and businesses of the City.

The City Council designates the Arts Council of the City to be the agent of the City primarily charged with the responsibility of supervising the provisions of this section.

A. Definitions.

1. "Perform" includes, but is not limited to, the following activities: acting, singing, playing musical instruments, pantomime, juggling, magic, dancing, reading, puppetry, sidewalk art (working with non-permanent, water-soluble media, i.e., chalk, pastels, or watercolors directly on the pavement), and reciting. Perform shall not include the production of items for sale.

2. "Performer" means a person who has obtained a permit pursuant to this section.

3. "Public areas" means public sidewalks, parks, playgrounds and other Cambridge pedestrian areas ~~all public ways in Cambridge.~~

B. Prohibition.

No person may perform in a public area without a permit issued pursuant to subsection C of this section.

C. Permit.

1. A permit shall be issued by the Cambridge Arts Council to each applicant therefor in exchange for a completed application and a fee of ~~forty dollars~~ ~~twenty-five dollars~~.

2. A completed application for a permit, and the permit itself, shall contain the applicant's name, residence address and telephone number, and shall be signed by the applicant.

3. A permit shall be valid from the date on which it is issued through the end of that calendar year.

4. A permit shall be nontransferable, and shall contain the permit number of the applicant and the year in which the permit is valid. Each member of a group of performers who play together shall be required to obtain an individual permit. In no event shall any group of performers, identified as such in their application and noted on their permits, be charged more than one hundred and sixty dollars total for permits for group members.

5. Upon issuing a permit, the Arts Council shall also give the performer a copy of this section.

6. If a performer loses his or her permit, one replacement permit per year may be obtained for a fee of fifteen dollars.

D. Display of Permit.

A performer shall clearly display his or her permit while performing, and shall allow inspection of the permit by any Cambridge police officer or staff person of the Cambridge Arts Council on request.

E. Permitted Performances.

1. Performances may take place in the following locations:

a. In public areas, except within one hundred feet of an elementary and/or secondary school, library, or church while in session, a hospital at any time, and except public areas excluded by the City Council, the Commissioner of Public Works, or the Chief of Police pursuant to subsection F of this section;

b. On private property, with the written permission of the owner or other person in control of such property;

c. In public areas where an authorized street fair or public festival is being conducted, with the permission of the sponsor of such fair or festival.

2. Performances may take place at the following times:

a. Monday through Thursday, between 7:00 a.m. and 11:00 p.m.
Friday, between 7:00 a.m. and ~~12:00~~ 11:00 p.m.
Saturday, between 7:00 a.m. and ~~12:00~~ 11:00 p.m.
Sunday, between ~~12 noon~~ 10:00 a.m. and 11:00 p.m.

b. In the public space at the intersection of Mt. Auburn Street and JFK Street, known as Winthrop Park, performances may take place at the following times:

Monday through Thursday, between 7:00 a.m. and 10:00 p.m.
Friday, between 7:00 a.m. and 11:00 p.m.
Saturday, between 8:00 a.m. and 11:00 p.m.

Sunday, between 12:00 noon and 10:00 p.m.

3. a. No performer or group of performers may generate noise exceeding a median sound level of eighty decibels measured at a distance of twenty-five feet from the performer or group of performers. A performer or group of performers may use sound amplification as long as this sound level is not exceeded. Upon a complaint by a resident, a designated staff person from the Cambridge Arts Council shall, with the permission of the resident, measure the sound level inside the residential dwelling. If the sound level exceeds a median sound level of fifty decibels, and exceeds the background noise by at least ten Db(A), the performer or group of performers causing the excessive sound level shall either turn down the music or move to a distance from the residence so as to reduce the sound level within these limitations. Background noise for this purpose shall mean L_{90} .

b. Drums shall be inaudible at a distance of one hundred fifty feet.

4. A performer may not create an undue interference with the passage of the public through a public area. If a performer attracts a crowd sufficient to obstruct the public way, a police officer may disperse the portion of the crowd that is creating the obstruction. The police officer shall not cause the performer to leave the location unless efforts to move the crowd fail to adequately protect the public safety or order. A police officers shall not ask the performer to leave the location unless all other means of restoring the public safety or order have been exhausted.

5. No performer or group of performers may perform less than fifty feet from another performer or group of performers.

6. A performer may request contributions or money or property at a performance, provided that no sign requesting contributions shall exceed twelve inches by eighteen inches in size. Contributions may be received in any receptacle, such as an open musical instrument case, box or hat. Performers may offer for sale recordings representations of their own work, including but not limited to photos, in the form of records, cassettes, videotapes or compact discs. No display or such representations of the performer's own work shall exceed more than twenty-five percent. On sidewalks, displays must not obstruct handicap ramps, doorways, or windows (i.e., performers shall not tape or post signs or posters on windows or lean displays against windows so as to obstruct a clear view through the window), and must not exceed more than 20% of the width of the sidewalk from the property line of the premises in front of which the display is installed. In public areas other than sidewalks, no such display shall exceed twenty-five square feet, and it shall be prohibited to place a carpet, rug, blanket, or other such covering over grass in a public place.

F. Exclusion of Public Areas.

1. A specific public area may be excluded from performances in accordance with constitutional standards by decision of the City Council after a public hearing notice of which shall be advertised once in a local newspaper no less than fourteen days prior to said hearing. In addition a written notice shall be sent to the Street Artists Guild no less than ten days prior to said hearing; or

a. Based upon evidence presented to the City Council during its deliberations on the adoption of the ordinance codified in this section, the City Council designates Brattle Street on both sides from the northerly side of Church Street to the northerly lot line of 76 Battle Street as an excluded area, thereby prohibiting performances in that area.

b. Due to the proximity of Quincy Park to a residential area, a hotel, and a library, the City Council designates Quincy Park an excluded area, thereby prohibiting performances in that area.

2. By decision of the Chief of Police in the case of an emergency: any holder of a license who disputes the need for said emergency exclusion may appeal to the City Council for review.

3. By decision of the Commissioner of Public Works in the case of an emergency regarding a park or playground: any holder of a license who disputes the need for said emergency exclusion may appeal to the City Council for review.

G. Penalties.

1. Noncriminal Disposition.

Whoever violates any provision of this section may be penalized by a noncriminal disposition as provided in G.L. c. 40, s. 21D. For purposes of this section, the following officials shall be enforcing persons: police officers and/or Cambridge Arts Council staff. The penalty for each violation will be twenty-five dollars.

2. Suspension of Permit.

The Cambridge Arts Council and/or the Cambridge police may suspend a permit for no more than thirty days if:

a. a performer is found to have knowingly provided false information in the application; or

b. a performer has received three noncriminal dispositions within one calendar year.

3. Revocation of Permit.

The Cambridge Arts Council may revoke a permit for the remainder of the calendar year if a performer has received five noncriminal dispositions during that calendar year.

4. Before suspending or revoking a permit, the Arts Council must hold a public hearing, after ten days written notice to the performer setting forth the facts constituting the basis for the proposed suspension or revocation.

5. A performer may not receive a permit unless all tickets from the previous year have been paid.

H. Exclusivity.

The provisions of this section take precedence over any other City regulations or ordinance applicable to street performers. To the extent other City regulations or ordinances are applicable and are inconsistent with this section, this section shall govern. Sound levels generated by street performers shall be governed by this section and not by the Cambridge City noise ordinance.

I. Peace and quiet.

A performance in accordance with this ordinance shall be presumed not to constitute a disturbance of the peace or quiet.

J. Severability.

The provisions of this section are severable, and if any part of this section should be held invalid by a court or competent jurisdiction, such invalidity shall not affect the remainder of the section and the remainder of the section shall stay in full force and effect. (Ord. 1142, 1992,; Ord. 1104, 1990).

Health and Hospital Committee Minutes

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Councillor Duehay asked where the new network will get its money, in light of the disappearing federal funds and the large percentage of low income people. Mr. Gage said the industry is going through a significant downsizing, but the market is not disappearing.

Councillor Duehay asked for outstanding examples of public hospitals with the competitive skills necessary to meet the challenges. Mr. Gage named the Detroit Medical Center, Denver Health and Hospitals Department. Mr. Gage stated that he would provide additional written information to the committee.

Councillor Galluccio asked for more information about the advantages of the authority form of organization for specific institutions, including specifics of how the authority form of organization has helped them, and what has happened to the amount of the city tax contribution.

Councillor Sullivan asked for a thumbnail sketch of what happened to all of the public hospitals that existed in the early 80's. Mr. Gage said that of larger urban hospitals, very few have closed; most have been reorganized or merged. Most closure have been in smaller areas. There are 1300 in the country; in the 60's there were 1500. Public hospitals have not been closing at any greater rate than private.

Mr. Gage said the move is away from hospitals all together, and to an outpatient system and whole life health. That cannot be done by a hospital standing alone; an integrated health care system is necessary.

Councillor Born asked why other hospitals chose other structures. Mr. Gage cited a variety of reasons including speed of decision making. Different reasons exist in different environment.

Mr. Healy said that on the local level, this is the least drastic of the options. The legislature does contain provision that would allow the City Council to change the form again without going back to the state legislature.

Councillor Born asked whether a public authority means the City Council retains more control than in some of the other forms. Mr Gage said that depends more on the actual provision of the legislation rather than the name.

Councillor Born asked whether a big reason is to take the hospital out of the political arena. Mr. Gage agreed that the delay of the political decision making process is one of several reasons for changing the organization. However, the current proposal maintains a degree of control that is much higher than would be recommended if this were the major issue.

Councillor Born asked whether he had ever advised municipalities or hospitals not to take this step and he replied that he had indeed advised hospital to take different paths.

Councillor Born asked how the City Council would know if this ended up being a mistake after it happened. Mr. Gage said that there are so many areas of ongoing accountability that there is not much worry about that.

Councillor Duehay asked what would happen to the assets of Cambridge Hospital if it were to merge with a national chain in five years. Would the authority have the right to dispose of the assets; or would the city get them back? Mr. Gage said that he assumes the goal of developing the assets was to provide city services. This is a goal that several other municipalities have pursued through these forms.

Councillor Galluccio stated that the City Council obligation involves a balancing of the commitment to health care with obligations to taxpayers in a city that is very expensive, especially for working and middle class residents. Taxpayers have asked him why other hospitals such as Beth Israel don't want to merge with Cambridge. He stated that a close look at Somerville Hospital's financial position is crucial. Councillor Galluccio asked where the patients could be served if the hospital closed.

Councillor Sullivan observed that he assumed Mr. Gage would classify Cambridge Hospital not as a sinking ship but rather as a ship weathering a severe storm. Mr. Gage agreed.

Mr. Healy said that the financial plan is for the commission to ultimately reduce city payments by \$17 million over the seven year contract period.

Councillor Davis asked about Mr. Gage's role. Mr. Healy said that Mr. Gage was asked to provide an analysis this evening as part of the opening presentation; but that he is too busy to be the Council's staff consultant.

Councillor Davis asked to see some of the information presented in tabular form. She requested information on what happens to assets, control/role of City Council.

Councillor Toomey requested that the City Councillors provide resumes of potential staff assistant/consultant to the committee.

Councillor Duehay requested that the City Auditor attend these meetings.

Mr. Healy then introduced Mamie Zschokke, a partner of KPMG Peat Marwick, and the audit partner in charge of the Cambridge Hospital since 1993. Ms. Zschokke said that hospital financial statements as of June show \$36 million assets, and \$31 million current liability. This leaves five million left over. The hospital current ratio is 1.17, which is quite low.

Councillor Duehay said that this analysis is not useful for the City Council. The City Council needs a complete valuation of assets.

John O'Brien said that there are standards for valuing assets. However the plan is to lease the assets from the City of Cambridge; so there has not been a major focus on this issue.

James Maloney agreed that the proper business perspective is a balance sheet. He said that it appears that the Councillor Duehay is looking at a real estate appraisal. A full blown appraisal would be expensive and would take time to produce. Ballpark estimates could be done in house.

Councillor Duehay said that at this time ballpark figures would be fine.

Vice Mayor Born asked about the hospital's cost situation. Mamie Zschokke said that the hospital does not have excess revenue.

John O'Brien then introduced Mary Ann Hart, Chair of the Health Policy Board. Ms. Hart stated that the Health Policy Board began its discussion two years ago, and has voted unanimously to support the proposed legislation.

Councillor Sullivan stated his hope that employees who have put their heart and soul into working for Cambridge Hospital will continue to be given the treatment and recognition they have earned.

Councillor Sullivan asked about the apparent conflict in the Section 14 protection that the City Council must approve a merger but there is the ability to turn the whole thing over to private management without the Council's approval.

John O'Brien said that he would take a look at how to strengthen that.

Councillor Sullivan stated that he is pleased to see that Neville Manor is in the mix. He hopes it will not just sway in the wind; that additional resources will go into Neville.

John O'Brien said that Neville Manor will operate at a \$2 million loss this year. They are trying to develop a mechanism to change the mix of services and keep Neville Manor viable.

Mr. Healy said that he believes the seven year finance plan makes sense at this time. It will be determined over time whether the plan works.

Councillor Sullivan asked Mr. O'Brien if he plans to remain with the ship and Mr. O'Brien said that he would.

Councillor Duehay thanked Ms. Hart and the Health Policy Board. He then asked about the schedule for making this decision.

Councillor Sullivan suggested scheduling several committee meetings, with some designated as working sessions, and others as including public comment.

Councillor Galluccio stated that he would like to see more information about current assets because he would like more exploration of possible return of taxpayer dollars. Mr. Healy said that he would prepare the seven year projection. He also said that he would provide the City Council with a summary of the debits that must be balanced against the assets that the City Council wants to look at.

Councillor Galluccio emphasized his concern with protection for current employees and employees who are Cambridge residents, in terms of any layoffs because of duplication of services in the Somerville merger.

Mr. Healy said that Mr. O'Brien and Mike Gardner have been meeting on a regular basis with union representatives. The unions will be less secure if this proposal does not occur.

Councillor Toomey stated his concern with protection of current employees.

Mr Healy suggested that the next meeting involve a point-by-point discussion of the proposed legislation.

Councillor Galluccio expressed his appreciation for Mr. Healy's fiscal negotiations.

Councillor Toomey then opened the meeting for public comment. He read a letter from Ted Hansen, Chair of the Board of the Cambridge Visiting Nurse Association, informing the Council that the Visiting Nurses Board voted unanimously to support the proposed authority.

Mayor Emeritus Alfred Vellucci, Porter Road, stated that if it wasn't for the Cambridge Hospital, he would not be here tonight. Cambridge is a complex changing city. People are very frightened about whether they will have health care and a future. Hospital employees have concerns about losing their jobs. He stated that he hopes this plan is the idea that can be a solution for the future.

James Cassidy, President of Local 195, stated that he represents about 500 of the employees involved in these negotiations are ongoing. He would like to reserve his right to make comments after the negotiation.

Arthur Santoro, 17 Arcadia Park, Somerville, stated his concern with the funding cuts being made by the federal government.

The meeting was adjourned at 9:10 p.m.

For the Committee,



Councillor Timothy J. Toomey, Jr., Chair

PUBLIC HOSPITAL STRUCTURES: OVERVIEW

HOSPITAL AUTHORITY

Separate body corporate and politic existing independent of local government; separate board with governmental involvement

Denver General Hospital¹
 Erlanger Medical Center (Chattanooga, TN)
 Fulton-DeKalb Hospital Authority (Grady Memorial Hospital, Atlanta, GA)
 Hawaii State Hospital System²
 Lake Taylor Hospital (Norfolk, VA)
 Louisiana Health Care Authority
 Tampa General Hospital
 University of Colorado Hospital

HOSPITAL DISTRICT

Independent instrumentality of the state government with taxing authority and defined geographic boundaries

Amarillo Hospital District
 Dallas County Hospital District
 (Parkland Memorial Hospital)
 Harris County Hospital District (TX)
 North Broward Hospital District (FL)
 South Broward Hospital District (FL)
 Tarrant County Hospital District (TX)

PUBLIC BENEFIT CORPORATION

Distinctive corporate entity providing a public benefit to state residents

New York City Health & Hospitals Corporation
 Jackson Memorial Hospital (Miami, FL)
 Indianapolis Health & Hospitals Corp. (Wishard Memorial Hospital; managed by Univ. of Ind.)

NON-PROFIT CORPORATION

Created pursuant to a state's non-profit corporation statute; often under contractual agreement with the local government

Dimensions Health Corporation (Prince Georges Cty., MD)
 Hermann Hospital (Houston, TX)
 Lakewood Hospital (OH)
 Medical Center of Central Georgia
 Memorial Medical Center (Savannah, GA)
 MetroHealth Medical Center (Cleveland, OH)
 North Oakland Medical Center (MI)
 Phoebe Putney Medical Center (Albany, GA)
 The Regional Medical Center at Memphis
 St. Louis Regional Medical Center
 Truman Medical Center (Kansas City, MO))
 Universities of Florida, Maryland and West Virginia

SALE, LEASE, MANAGEMENT CONTRACT

Transfer to or merger with pre-existing healthcare entity(ies)

Bernalillo County Medical Center, (managed by University of New Mexico)
 Boston City Hospital³
 Brackenridge Hospital (Austin, TX; leased by Daughters of Charity)
 Detroit Receiving Hospital
 Harborview Medical Center (managed by University of Washington)
 Froedtert Memorial Lutheran Hospital (Milwaukee, WI; acquired public John Doyne Hospital)
 St. Paul-Ramsey Medical Center
 University Hospital, Louisville (managed by partnership of Jewish Hospital HealthCare Services and Alliant Health System)
 Wishard Memorial Hospital (managed by University of Indiana)

¹ In process of converting to separate state authority.

² In process of converting to separate state entity.

³ In process of converting to public commission, pending combination with private Boston University Medical Center.

City of Cambridge

The Health and Hospital Committee held a public hearing on March 20, 1996, beginning at 6:35 pm in the Sullivan Chamber for the purpose of considering a proposal for the reorganization of the Cambridge Hospital as an authority.

Present at the hearing were Councillor Timothy J. Toomey, Jr., Chair of the Committee, Vice Mayor Kathleen L. Born, Councillor Henrietta Davis, Councillor Francis H. Duehay, Councillor Anthony D. Galluccio, Mayor Sheila T. Russell, Councillor Michael A. Sullivan, and City Clerk D. Margaret Drury. Also present were Robert W. Healy, City Manager; Richard Rossi, Deputy City Manager; John O'Brien, Commissioner of Health and Hospital; James Malone, City Manager for Finance and Ellen Semonoff, Human Services Department.

Councillor Toomey convened the hearing and explained the purpose. He introduced Robert W. Healy and invited him to make a presentation.

Mr. Healy stated that the aim of the proposal is to preserve the mission of the Cambridge Hospital and to continue the excellent service that the Hospital has delivered over the years.

Mr. Healy then described the structure of the proposed Cambridge Public Health Commission. The Commission would be established as a separate public entity. The Board would be approved by the City Manager.

Mr. Healy stated that there have been regular meetings with representatives of the hospital labor unions. The meetings have been very constructive.

Mr. Healy then introduced Larry Gage, President of the National Association of Public Hospitals and Health Systems. Mr. Gage stated that members include the Cambridge Hospital and over 100 other major safety net hospitals. On average, 60% of services are provided to low income patients.

Mr. Gage then discussed the enormous pressures on the hospital system. All hospitals are fighting for survival. Public hospitals seeking to keep up with private hospital need to become autonomous entities. The proposed legislation is an excellent response. Very few public hospitals are operated directly by city or county government. He distributed information sheet entitled "Public Hospital Structures: Overview" (Attachment A).

Committee Report #1

S-185

Health and Hospital Committee
transmitting a report of a public
hearing held on March 20, 1996
for the purpose of considering a
proposal for the reorganization of
the Cambridge Hospital as an
authority.

In City Council April 8, 1996

*Report accepted.
Placed on file.*