



California Health Facilities Financing Authority (CHFFA)

Quarterly Newsletter
Fall 2012

Providing low-cost financial assistance to public hospitals and private, nonprofit health care providers in California

CHFFA News

New and Former Board Members

CHFFA proudly announces the addition of a new board member, Mr. Jay Hansen Chief Strategy Officer for the California Medical Association, appointed by Governor Edmond G. Brown Jr. in late October. Please join us in welcoming him. We also bid farewell and thank our departing board member, Mr. Ronald Joseph, for his leadership, humor and wisdom conferred the past four and a half years. We will really miss him.

CHAMP Grant Program

CHFFA is pleased to announce a new grant program, the California Health Access Model Program (CHAMP). CHAMP intends to support innovative methods of delivering health care services more effectively, and to improve access and health outcomes for vulnerable populations and communities by bringing services, including preventive services, to individuals where they live or congregate. CHAMP's initial phase will fund one or more demonstration projects, up to a combined total of \$1.5 million. If the evaluation of the completed demonstration project(s) demonstrates it is warranted, CHAMP will launch a second phase to support additional grants up to a combined total of \$5 million so other California communities can implement the same improved ways of delivering services. Please see CHFFA's website for further information.

State Audit of Conduit Bond Issuers

Earlier this year, the Bureau of State Audits (BSA) audited CHFFA, alongside two other conduit issuers in California, the California Municipal Finance Authority (CMFA) and the California Statewide Community Development Authority (CSCDA), to determine if CHFFA, CMFA and CSCDA function in compliance with the law. Generally, the BSA concluded all entities comply with key bond requirements, but that the compensation models for both CSCDA and CMFA raised conflict of interest concerns. The BSA rendered a host of recommendations concerning the potential for conflicts of interest and the State Treasurer has since requested the Fair Political Practices Commission and the Attorney General to further explore the nature and extent of conflicts of interest identified for CMFA and CSCDA by the BSA. CHFFA also embraced the one recommendation concerning its business operations to improve public access to its Tax Equity and Fiscal Responsibility Act (TEFRA) hearings.

CHFFA Board Members



Bill Lockyer
State Treasurer
and Chair



John Chiang
State Controller



Ana Matosantos
Director of
Finance



Judith Frank



Jay Hansen



Ann Madden Rice



Oscar Sablan, M.D.



Jack Buckhorn



Samuel Qiu

Health Care News Summary

Prepared by Paul Dulai

September 11, 2012

Hospital wing debuts Saturday

The Sacramento Bee Cathie Anderson

On Saturday, September 15, Marshall Medical Center debuted its new \$70 million south wing which includes a birthing center and an emergency department. The center, which has been under construction for four years, will not officially accept patients for another four to six weeks. The project will expand the number of Emergency Department beds at the hospital from 12 to 26. James Whipple, CEO of Marshall, said that as new funding becomes available, the hospital plans to add an intensive care unit, a medical surgical department and a cafeteria to the new wing.

Featured CHFFA Board Member Jack Buckhorn

Jack Buckhorn has been a board member for a little over four years. He holds an Associate of Science Degree from Santa Rosa Junior College, graduated from the University of Tennessee Apprenticeship Instructors Training Institute and serves as an officer and member for many councils. As a union leader, he enjoys making a difference in the lives of people, which keeps him motivated. Mr. Buckhorn was appointed by the Assembly Speaker as a board member based on his expertise in union affairs. Mr. Buckhorn enjoys learning about all of the various types of health clinics and programs CHFFA supports and is proud of the great benefits CHFFA brings to all of California's healthcare needs. He is especially proud of the HELP II Loan Program because it financially helps the smaller, much needier health organizations that provide good services to the underserved communities in California. Mr. Buckhorn was a volunteer firefighter for 10 years and received a Firefighter of the Year Award. He was inspired by his father, who was also a firefighter. He enjoys various motor racing competitions, and he raced boats when he was younger. He has been married for 32 years and has two children and three grandchildren, who bring joy into his life on a daily basis.

CHFFA Recent Financings

Chinese Hospital Association was recently approved by the board for \$65 million in tax-exempt bonds to be used to finance the construction and equipping of a new eight story hospital and the conversion of the existing hospital to a multi-use facility, including administrative support, an outpatient clinic and a laboratory to provide more efficient, higher quality and technologically advanced services to the San Francisco Bay Area communities and to address growing demand and seismic compliance. *Michael Tang & Carolyn Aboubechara*

University of California San Francisco Benioff Children's Hospital was recently approved by the board for Children's Hospital Program grants under both the Proposition 3 and Proposition 61 programs for a total of \$69.2 million to build a new hospital and outpatient facility at Mission Bay. The new state-of-the-art pediatric hospital will include, among many other improvements, a pediatric emergency room and a rooftop helipad for the first medical helicopter service in San Francisco. *Barbara Webster Hawkins*

Kings Rehabilitation Center ("KRC") is working on its new Adult Day Care Center on KRC's main property. Staff recently conducted a site visit and saw the project (expected to be completed January 2013) well underway. CHFFA staff witnessed the great need for the new facility. Both KRC's staff and patients were enthusiastic in greeting CHFFA staff. The patients greeted CHFFA staff with cheers, hugs and high fives. The visit reminded staff why it is gratifying to do what we do and it gave a face to the people we help with each loan. *Marissa Sequeira*



CHFFA Team

From Left to Right—

Standing:

Theresa Montiel

Executive Assistant

Jim Rennie

Treasury Program Officer

Carolyn Aboubechara

Treasury Program Analyst

Marissa Sequeira

Treasury Program Officer

Bill Lockyer

State Treasurer and Chair

Paul Dulai

Treasury Program Analyst

Michael Tang

Treasury Program Officer

Yassar Dahbour

Treasury Program Officer

Austin Whitted

Student Assistant

Tamara McNary

Office Technician

Janae Davis

Treasury Program Officer

Sitting:

Barbara Webster-Hawkins

Treasury Program Manager

Martha Maldonado

Operations Manager

Rosalind Brewer

Deputy Executive Director

Barbara J. Liebert

Executive Director

Patricia Wynne

Deputy Treasurer as
Chair for the Treasurer

Ray Artinian

Treasury Program Manager

Featured CHFFA Employee

Rosalind Brewer

Rosalind has been a Deputy Executive Director for both CHFFA and CEFA (California Educational Facilities Authority) for almost three years and has been with the State Treasurer's Office (STO) since 1997. She holds a B.S. degree from California State University, Sacramento and an MBA degree from the University of Phoenix with an emphasis in Finance. In her past experiences, she was a Pension Investment Officer for the STO Investments division acting as a trader for the Pooled Money Investment Account and as one of the Treasurer's designees to represent him on CalPERS' and CalSTRS' boards. Rosalind really likes the people she works with and the missions of both Authorities. "Our work serves a good purpose and gives us the opportunity to serve our communities," said Rosalind. She is a single mom and loves cooking, traveling and taking Zumba classes. Her main goal now is to get her 23 year old son through college, and when she retires, she wants to become the next Food Network Star.

Stem Cell News Summary

Prepared by Yassar Dahbour

September 12, 2012

Researchers Use Human Embryonic Stem Cells to Restore Hearing
technology review— *Susan Young*

Researchers have restored hearing in deaf rodents using human embryonic stem cells, demonstrating for the first time that these cells can replace missing or damaged neurons in the auditory pathway. The authors suggest that this method could one day be used in combination with cochlear implants. Such an approach would aid more deaf patients than can currently benefit from the bionic prosthetic alone.

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