

FINAL REPORT
CASE #0403 SAN JOAQUIN GENERAL HOSPITAL

REASON FOR INVESTIGATION:

The San Joaquin County Civil Grand Jury (Grand Jury) received a complaint from a shareholder of Option Care Sacramento (OCS) that a member of the San Joaquin County Board of Supervisors was using his political position to obtain business for his employer, Option Care Ceres (OCC), from both the San Joaquin General Hospital (County Hospital) and the Health Plan of San Joaquin.

Upon completion of a preliminary investigation, the Grand Jury voted to undertake an investigation of the policies and procedures of the County Hospital for purchasing and procurement, as it relates to home infusion therapy service companies contracted by County Hospital.

METHOD OF INVESTIGATION:

The Grand Jury conducted hearings and interviewed representatives from the County Hospital, OCS and OCC. No investigation was undertaken with respect to the Health Plan of San Joaquin, since it is not subject to the jurisdiction of the Grand Jury.

FINDINGS:

1. The Grand Jury found that the County Hospital entered into contracts with multiple home health infusion companies, including OCS and OCC.
2. The Grand Jury found that OCS allowed their contract with County Hospital to expire even though they claim to have rights to the San Joaquin County territory.
3. The Grand Jury found evidence that Option Care Ceres has received substantially more business from County Hospital than Option Care Sacramento and other infusion companies.
4. The Grand Jury found no written County Hospital policy that prohibited the award of business to Option Care Ceres or any other infusion company with which County Hospital had entered into a contract for services.
5. The Grand Jury found no evidence that a member of the County Board of Supervisors may have used his position to influence Option Care Ceres's selection as a home health care provider through the County Hospital.

RECOMMENDATION:

1. The Grand Jury recommends that the San Joaquin County Board of Supervisors direct the County Hospital establish a procurement policy for home health services to reflect the award of services to home health providers in an objective manner consistent with fairness and prudent cost to the county.

RESPONSE REQUIRED:

Pursuant to Section '933.05 of the Penal Code:

The San Joaquin County Board of Supervisors and San Joaquin General Hospital shall report to the Presiding Judge of the San Joaquin Superior Court, in writing and within 90 days of publication of this report, with a response as follows:

As to each finding in the report a response indicating one of the following:

- a. The respondent agrees with the finding.
- b. The respondent disagrees with the finding, with an explanation of the reasons therefore.

As to each recommendation, a response indicating one of the following:

- a. The recommendation has been implemented, with a summary of the action taken.
- b. The recommendation has not yet been implemented, but will be with a time frame for implementation.
- c. The recommendation requires further analysis, with an explanation of the scope of the analysis and a time frame not to exceed (6) six months.
- d. The recommendation will not be implemented, with an explanation therefore.