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[Supporting Kaiser Wellness Center]

URGING THE NATIONAL HERITAGE INSURANCE COMPANY (NHIC) TO ALLOW THE WELLNESS CENTER TO APPEAL NHIC'S CLOSURE OF THE WELLNESS CENTER PRIOR TO THE PAYMENT OF \$126,932 OF OUTSTANDING DEBT, AND FURTHER URGING THE NHIC TO ALLOW AN EXTENSION TO THE WELLNESS CENTER FOR THE PAYMENT OF THE DEBT TO FORESTALL THE CLOSURE OF THIS VITALLY NEEDED CLINIC.

WHEREAS, The Wellness Center, located on the Davies Campus California Pacific Medical Center, is San Francisco's largest HIV/AIDS private practice in San Francisco; and

WHEREAS, A small staff of 15 provide comprehensive, high quality medical care to over 1500 patients, one third of whom suffer from HIV/AIDS and two thirds from severe and debilitating chronic diseases such as cancer, chronic pain, auto-immune diseases, and chronic fatigue syndrome; and

WHEREAS. Prior to the establishment of the Wellness Center, the practice was administered by Conant Medical Group (CMG) which was then bought by the Quest Corporation; and

WHEREAS, The Quest Corporation, which decided in 1997 to permanently cease operations and gave its staff only 48 hours of notice; and

WHEREAS, Despite lacking phones, furniture, computers and other vital equipment necessary to run high volume practice, Dr. Jon Kaiser and his colleagues decided to continue to provide medical services to over 1500 clients; and

WHEREAS, Capital investment totaling more than \$325,000 was required to restart the practice; and

WHEREAS, Unbeknownst to Dr. Kaiser, the improper billing practices of the previous owners, CMG and the Quest Corporation, resulted in a \$126,931 shortfall in Medicare reimbursements; and

WHEREAS, Without any prior notification by Medicare, the Wellness Center recently completed an extensive internal audit; and

WHEREAS, The NHIC is auditing the Wellness Center for the period subsequent to Dr. Kaiser's assuming ownership of the Wellness Center and prior to the their internal review

WHEREAS, The National Heritage Insurance Company, contracted by Medicare, insisted on full repayment of the full \$126,931 or risk closure of the Wellness Center; and

WHEREAS, The Wellness Center is one of the few medical practices that provide comprehensive, high quality care to over 1500 low-income Medicare and middle income clients living with HIV/AIDS and other chronic diseases; and

WHEREAS, The Board of Supervisors of the City and County of San Francisco has received numerous calls from Wellness Center patients, community members and supporters who highly praise the quality of care at the Wellness Center and insist that the Center remain open because of the vital medical care that it provides for citizens of the San Francisco Bay Area; now, therefore, be it

RESOLVED, That the Board of Supervisors of the City and County of San Francisco hereby urge the National Heritage Insurance Company to consider an appeal submitted by the Wellness Center prior to the immediate and full repayment of \$126,931; and be it

FURTHER RESOLVED, That the Board of Supervisors hereby urges Senators Dianne Feinstein and Barbara Boxer as well Congresswoman Nancy Pelosi to support the Wellness Center's appeal to the NHIC as well as urging the Federal Health Care Finance Administration to grant the Wellness Center the right to have their case appealed.

SUPERVISORS AMMIANO, BECERRIL, BIERMAN, KATZ, LENO, NEWSOM, YAKI



## City and County of San Francisco Tails

City Hall 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102-4689

## Resolution

File Number:

000153

Date Passed:

Resolution urging the National Heritage Insurance Company (NHIC) to allow the Wellness Center to appeal NHIC's closure of the Wellness Center prior to the payment of \$126,932 of outstanding debt, and further urging the NHIC to allow an extension to the Wellness Center for the payment of the debt to forestall the closure of this vitally needed clinic.

January 31, 2000 Board of Supervisors — ADOPTED

Ayes: 11 - Ammiano, Becerril, Bierman, Brown, Katz, Kaufman, Leno, Newsom, Teng, Yaki, Yee

I hereby certify that the foregoing Resolution was ADOPTED on January 31, 2000 by the Board of Supervisors of the City and County of San Francisco.

Bloria L. Young

Clerk of the Board

FEB 1 1 2000

**Date Approved** 

Mayor Willie L. Brown Jr.