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Justice delayed: Courts slow to a crawl after budget cuts

Long lines, increased wait times,
fee hikes raise the cost of litigation,
changing lawyers' advice to clients

KATHY ROBERTSON | STAFF WRITER

Battered by state budget cuts, the Sacramento region's county courts are teetering on a cliff.

General-fund support for trial courts has been slashed by \$614 million statewide since fiscal 2008-09. That includes \$43 million — a 30 percent whack — to court budgets in the four-county Sacramento area.

More reductions — and they are coming — will be unsustainable, say local court executives, lawyers and consumer advocates. Staffing cuts, closed courtrooms and shuttered counters have pared operating costs, but the work gets done eventually. If more cuts are made, courts will be unable to perform basic functions required by law, they say.

If justice delayed is justice denied, business owners and citizens are getting short shrift already.

Lines are long, fees are up and cuts at all levels are putting pressure on plaintiffs and changing the way lawyers do business. Time is money in the legal market, so delays ramp

COURTS | PAGE 23



Investors compete for land in Folsom

Widely-watched deal
viewed as a barometer
for development in area

MICHAEL SHAW | STAFF WRITER

Development land is an extremely tough sell in Sacramento, where unemployment is high and housing demand is low.

But potential profits in the biggest land deal this year — sale of 1,000 newly entitled acres right in the path of development — are strong enough that investors are lining up.

Carpenter Ranch, an expanse of grasslands and oak woodlands on Highway 50 in Folsom's only large growth area, drew nationwide interest and more than 10 offers, the seller's broker said this week.

Bids were due a week ago for the property after a lender foreclosed in August.

"It's clearly as high a profile deal as there is in Northern California," said Jim Radler, a senior marketing consultant with Land Advisors Organization, which is marketing the property for lender Redwood Capital Finance Co. LLC. "It's easy property to fall in love with."

Radler and co-listing agent

LAND | PAGE 25

Health nonprofit regains stability, plans growth

The Effort rebuilds with plans
for new clinics, programs

KATHY ROBERTSON | STAFF WRITER

Hit by layoffs after a period of rapid growth, The Effort Inc. has stabilized its budget and begun rebuilding.

A federally qualified health center in Sacramento County, the nonprofit opened a community clinic in North Highlands Thursday.

The Effort is expected to open at least two other clinics — possibly

three — in the Sacramento area over the next two years as the nonprofit leverages its ability to garner resources from the federal government to serve growing numbers of poor patients — and provide a safety net as the region prepares for further changes under federal health care reform.

There have been bumps in the road for The Effort, which operates nine sites in the region.

Growing pains prompted the quiet termination of six employees this spring after the abrupt layoff of 23 people in December.

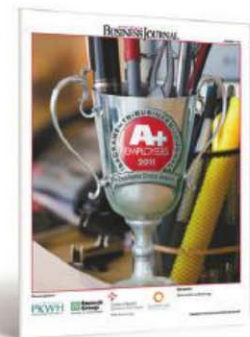
A consultant helped clean house and make operations more

efficient. A new management team was hired, and growth is on the horizon again.

The Effort is opening a community clinic in South Placer County Jan. 1. Another will open in downtown Sacramento next fall. There's talk of another clinic to the east — Rancho Cordova, perhaps — in 2013.

"We had a lean spring, but we are rebuilding, not gutting," said Jonathan Porteus, who became chief executive officer following former chief Bob Caulk's retirement in December.

EFFORT | PAGE 24



A+ EMPLOYERS

See which local employers made the grade |
Special section

EFFORT | Nonprofit lands financial support from government and other health providers

FROM PAGE 1

"Things are happening very quickly—and they need to happen very quickly to be ready for 2014," Porteus said, citing the year when health care reform takes full effect. "A huge number of people are coming down the pipeline to get benefits, and there's a huge shortfall of capacity in this community."

As a federal qualified health center, The Effort gets additional federal dollars to boost primary care services for low-income patients in underserved areas. That means it gets substantially more money than other clinics that serve Medi-Cal patients. And it's exempt from the 10 percent provider cut in the California budget that was recently approved by the feds.

The Effort Inc.

Business: A federally-qualified health center that provides primary care, dental care, mental health and addiction services across the Sacramento area

Roots: Medical services began at a J Street clinic in 1970

Locations: Four full-service clinics and five satellite offices from South Sacramento to North Highlands

Employees: 187

Annual budget for fiscal year 2011-12: \$13.5 million

Chief executive officer: Jonathan Porteus

Contact: 916-737-5555 or theeffort.org

Other health organizations in the region applaud the nonprofit's role—and support it with donations.

"The Effort keeps making the effort to do the right thing in this community, where care for the underserved has really waned," said Scott Seamons, regional vice president for the Hospital Council of Northern and Central California.

NEW MANAGEMENT TEAM

The Effort provides primary care, mental health and addiction services at its J Street headquarters and across the region.

But the nonprofit ran into problems when it staffed up last year in anticipation of a higher mix of Medi-Cal patients: It got more indigent patients instead.

The Effort made a play for thousands of psychiatric patients covered by cash-strapped Sacramento County, but the county turned it down. The nonprofit got more patients, but 45 percent had no insurance. The cash crunch was untenable, prompting layoffs that saved \$750,000.

The two-step reduction in force and more efficient operations brought a break-even budget for the fiscal year ended June 30.

"We're in a pretty good position at this point in time, but it will take continual monitoring and adjustment to the needs of the community and the availability of revenue sources that are constantly changing," said Steve Hubbard, board chairman of The Effort. "I think it's nimble enough to do that. Jonathan has a good handle on things and communication is pretty good."

Eric Fimbres, who has years of experience running federally qualified health centers, was hired as director of clinic operations. Rod Kennedy, a former outpatient mental health executive with Sacramento County, was hired as director of behavioral health.

They were "absolutely good hires" and were "desperately needed," said Marty Keale, executive director of the Capitol Community Health Network. "With a more realistic budget, (The Effort) is pretty well positioned."



DENNIS MCCOY | SACRAMENTO BUSINESS JOURNAL

Dental assistant Denise Silva works on Anthony Ramirez at The Effort's pediatric dental clinic in North Highlands.

PEDIATRIC DENTAL CARE ADDED

With help from U.S. Rep. Doris Matsui, The Effort got \$750,000 in federal stimulus money to build new clinics. The bulk of that—\$550,000—went to build the new community health center in North Highlands. There was a small presence before, mostly primary care, with some psychiatric services.

There have been other sources of funding, too.

Kaiser Permanente recently awarded The Effort a \$700,000 grant to boost staffing at its clinics in North Highlands and in south Sacramento. The money is part of the nonprofit health system's community benefit program to improve care in the region.

"Because of The Effort's financing structure, they need an influx of cash to build up medical services," said Trish Rodriguez, Kaiser's area manager and chief of its South Sacramento Medical Center. "We support the role The Effort plays in the Sacramento market and how it complements what we do."

First 5 Sacramento provided a \$1.2 million grant for four pediatric dental clinics at sites run by The Effort. First 5 does out tobacco tax funds to local nonprofits to improve health care in the region.

The first pediatric dental clinic opened at The Effort's Oak Park site in February. The second was in North

Highlands. A third, at the South Valley Community Center on Stockton Boulevard in south Sacramento, will begin pediatric dental services in the spring of 2012. A fourth site—maybe Rancho Cordova—will follow in 2013, Porteus said.

"It's very difficult for (Medi-Cal) patients to find providers accepting new patients, particularly as young as 1-year-old," said First 5 Sacramento health and dental program director Deborah Payne. Guidelines recommend a dental visit by the first birthday or the first tooth, she said.

The grant was the product of a competitive bidding process among federally qualified health centers because they are able to get federal funding to match the grant, Payne said.

The four dental clinics at The Effort are rolling out in places with health clinics, family service centers and other federal programs. The site to the east, possibly Rancho Cordova, will become a full community clinic.

"It is certainly good to add alternatives for dental care, especially for young people, in an area that could really use it," said Sacramento County supervisor Phil Serna, whose district includes North Highlands. "On my short time on the board, I've been really impressed by The Effort's effort to really flank local government in health care and dental care services."

In other developments:

- The Bay Area-based Dolphin Pharmacy is working with The Effort to offer pharmacies at the community clinics. The first, at the South Valley clinic, is being installed, and electronic prescriptions are expected to start by year's end. Its federally qualified status allows The Effort to buy medications at much-reduced costs, Porteus said.

- The South Placer clinic will open on the Sutter Roseville Medical Center campus Jan 1. The Effort has acquired an obstetrical practice from Dr. Rashid Rashid and will add primary care and pediatrics.

"We've been talking to The Effort for at least three years about a presence in South Placer to offer a broad continuum of services to the indigent and patients on Medi-Cal," said Pat Brady, chief at Sutter Roseville and Sutter Auburn Faith hospitals.

The Roseville health center will complement care provided in the area by Sacramento County, which operates a small center in Roseville with limited services, a family planning clinic in Lincoln and full-service clinic in Auburn.

"South Placer is a growing region," said Dr. Mark Starr, county director of community health and clinics. "There is certainly a big need for more services, and we support any effort to bring a community health center to the area."

- Farther out, The Effort is building a new community health center in Mercy Housing's mixed-used affordable housing development at 7th and H Streets in downtown Sacramento. Construction started in June; the building is scheduled for completion next fall. The new health clinic will be named after Tom Gagen, recently retired chief executive officer at Sutter Medical Center Sacramento.

With Gagen as CEO, Sutter Medical Center granted The Effort more than \$8 million in direct contributions and contracts for services, helping the nonprofit build capacity in the Sacramento region.

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