

SANTA CLARA VALLEY MEDICAL CENTER:
An Indispensable Part of the Community

An essay
Presented to
the California Pioneers
of Santa Clara County

by
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INTRODUCTION

Santa Clara Valley Medical Center, over a century old, is a county hospital that provides medical care for all people, especially the County residents who are uninsured or unable to pay for their health care. It is the only hospital in the county which guarantees access to its services regardless of one's ability to pay. With 722 licensed acute beds, Valley Medical Center not only provides an extensive range of inpatient services, but also highly respected specialty care services unique to the area.

On more than one occasion, the question of whether or not Valley Medical Center should continue to operate has been asked. The arguments for both sides are valid. However, the arguments in favor of closing the hospital are far less convincing than those in favor of maintaining the hospital. Santa Clara Valley Medical Center has long been a crucial part of Santa Clara County and northern California, as well as a model for the entire medical community.

EARLY HISTORY

In 1854, as a result of joint action by the Common Council of San Jose and the Board of Supervisors, the first organized effort for care of the indigent sick in Santa Clara County began. After discussing the matter it was decided that the county was to pay for two-thirds of the expense and the city was to pay for one-third of it. A year later the county advertised for a house and a lot for the hospital, which led to the purchase of Sutter House in northeast San Jose. This deal failed to work out as desired, and the county rescinded its action in 1856.¹

The county then tried a new approach. It advertised for proposals for taking care of the medically indigent. The first contract was made with Dr. George B. Crane. He agreed to furnish all medicines and take care of patients for \$ 4,600 a year, as long as he did not have to attend to more than seven patients a day.² Crane's patients were housed in a variety of places and for several years this arrangement was satisfactory. But the need for a hospital soon became apparent.

From 1860 to 1871 the County Hospital, or County Infirmary, and the Pest House, used for persons infected with deadly or virulent epidemic diseases, were located on South Street, now Park Avenue, in renovated farm buildings.³ By 1868 the establishment was too small to accomodate all the patients; futhermore, the city had grown much larger and there were objections to the hospital being too close to city limits. Attempts were made to get a new location, but it was three years

before a new site was chosen.

The county once again made a purchase in 1871 of a 114- acre site southwest of San Jose - Los Gatos Road, later named Infirmary Road, and now Bascom Avenue. Construction of a new hospital was approved in 1875 and the county's hospital has remained there ever since.

San Jose's first hospital was the pride of the community. This new building, dedicated to Sickness, Poverty, and Charity, started full operation after one year with Dr. Andrew Jackson Cory as the first physician director.⁴ It also remained the only hospital in the area for thirteen years. Then, in July of 1905, the hospital started its first training program --a school of nursing with three students.

RECONSTRUCTION AND PROSPERITY

Most of the buildings in the hospital were badly damaged or destroyed by the 1906 earthquake. Fortunately, new construction began immediately and the hospital soon resumed full operation. Two years later the County Hospital had its first intern, Dr. Doxy Wilson, who later served as the medical director of the hospital. From that time on the training and postgraduate programs gradually expanded, as did the facilities. Infectious diseases, principally tuberculosis, accounted for a major portion of the hospital and patient load until the advent of antibiotics and chemotherapy.⁵ Still, the County Hospital provided a full range of medical, surgical, and emergency services for impoverished and private patients.

The Santa Clara County Hospital became one of the first in the nation to be accredited by the Joint Commission for Accreditation of Hospitals in 1952.⁶ One year later it began the first of a series of affiliated residency training programs with Stanford University School of Medicine.⁷

In 1955 a bond issue for the construction of a new seven-story addition was passed with overwhelming support.⁸ This addition was completed in 1960, along with an outpatient department in 1962. Five years later, the hospital's name was changed to Santa Clara Valley Medical Center. In 1970 the old building was demolished and replaced by a large rehabilitation wing.⁹

Santa Clara Valley Medical Center continued to progress in

1974 when an Institute for Medical Research was completed.¹⁰

This two-story building contained an experimental surgery and x-ray facility, administrative offices, general and special purpose laboratories and storage and support facilities. It was also the first in San Jose to be devoted solely to medical research. In the same year the hospital's "one-of-a-kind" Spinal Cord Injury Care Center was awarded \$ 200,000 by the Department of Health, Education, and Welfare for a study of its methods of caring for special injury victims.¹¹ Valley Medical Center was also noted for its Neonatal Unit which was created in 1972. This unit greatly increased the chances for survival of newborn babies with severe health deficiencies.

NEED FOR RENOVATIONS AND EXPANSION

In 1976 Valley Medical Center faced possible closure due to heavy financial problems. The Board of Supervisors debated on the subject but wisely decided that the hospital should remain a county facility. Two years later, as a result of Proposition 13, Valley Medical suffered from an extreme shortage of money. Dozens of nurses quit their jobs for better paying ones at private hospitals.

Problems persisted in 1978. State officials ordered the psychiatric unit closed less than fifteen months before Santa Clara County expected to open a new psychiatric residence for the acutely mentally disturbed. Health officials stated that the two-story building had many things wrong with it --such as exposed pipes and the inability to keep watch on the fifty patients housed there. Subsequently, the closing of the unit required the mental health treatment to be moved into temporary quarters. The quarters, however, did not contain a sprinkler system which was a definite disadvantage considering that the psychiatric unit then averaged about one arson fire a week.¹²

About a month later, it became apparent that if Valley Medical did not undergo \$ 86 million in improvements it would lose accreditation.¹³ In addition to this, Valley Medical's management, and especially Dr. A. Yvonne Russell, were constantly being criticized because of their direct involvement in the internal operation of the hospital. Despite these issues Santa Clara supervisors were determined to keep the hospital running.

In 1979 a computerized accounting system was installed and the California Medical Association rated Valley Medical Center's service "excellent" -- in some areas "a pacesetter".¹⁴

Furthermore, at the time, the hospital was a training ground for seventy-eight interns and residents.¹⁵

The County also finally began recruiting new hospital executives in 1979, partly to diffuse the animosity between the hospital staff and the Board of Supervisors. Russell was fired and Robert Sillen became the new administrator, inheriting quite a few responsibilities, one of which was the rebuilding of the hospital. The enormous project was given preliminary approval in 1980 and in 1981 the plans for the \$ 155 million reconstruction for Valley Medical Center were announced.¹⁶ The list of renovations included:

- increase in size of the forty-five outpatient clinics
- larger patient rooms
- bigger neonatal unit
- at least two "alternative birth" rooms
- fully equipped operating room in a larger emergency department
- new offices, meeting rooms, laboratories, storage facilities and waiting rooms
- more sophisticated burn unit

In spite of these suggestions and the preliminary approval, supervisors urged the hospital to come up with a reduced plan

costing less money. As time progressed various plans were devised, none of which were carried out. Again, Proposition 13 had severely crippled the county's efforts to improve the hospital.

In 1984, a county geologist declared that Valley Medical Center's main building was likely to collapse in a major earthquake.¹⁷ Like thousands of other hospital structures across the state, Valley Medical was constructed before more stringent earthquake codes were passed. Nevertheless, the state had certified the buildings as legal, so there were no restrictions on their use.

In late 1984 the hospital had hopes of buying an outpatient clinic to compete with private hospitals. These hopes were jeopardized, however, when owners of the proposed site for the clinic announced that they were going to put it up for sale. Within a few weeks, the owners finally agreed to negotiate a sale with the county and not to sell as they had previously threatened. One month later a local developer told Santa Clara County supervisors that he could save them about \$ 2 million if they would allow him to build the facility instead of purchasing an existing building.¹⁸ After much study and debate the Board of Supervisors voted to buy the existing building after all, for use as an outpatient clinic for Valley Medical Center.

Once again in early 1985 the county was ordered to close their unsafe acute psychiatric facility that San Jose fire inspectors had said was unsafe a couple of years before. Supervisors put off a decision on whether or not to acquire a

private psychiatric hospital in San Jose to relieve the overcrowding at Valley Medical. It was not that the problem was not recognized, but rather that nothing could be done about it. There was simply not enough funding.¹⁹

SUCCESSFUL DRUG TESTING

Much excitement was created in 1987 when an experimental drug was tested on eight patients with valley fever at Santa Clara Valley Medical Center. Valley fever, caused by breathing fungus spores, is usually minor and patients recover in a few days. However, some people develop more serious conditions, which are similar to pneumonia. In the worst cases, the infection spreads painfully to the bones, organs, spine, and brain, and is often fatal. Results of Valley Medical's testing of fluconazole, were very encouraging -so encouraging , in fact, that doctors from seven Latin American countries ordered the drug for their own testing.²⁰

Today this drug is still being used and tested. Because of its unique ability to heavily penetrate the spinal fluid, it is also helpful in treating other infections that spread to the bones and nervous system. It is further being used in treating cryptococcal meningitis, an infection that often afflicts people with AIDS.

RECENT CONTROVERSY AND CRITICISM

The year 1988 was the beginning of continual problems for Valley Medical Center. The state reprimanded the hospital for some of the burn practices in its burn unit after a twenty-month old boy died there from burns and narcotic poisoning. The state said that Valley Medical Center was cited for violating its own policies when the child was not examined by a physician within three hours of admission. Valley Medical spokeswoman, Ann Moses, and administrator Robert Sillen both maintained that the medical care received by the child was "entirely appropriate".²¹

At that time the State Department of Health Services' records indicated that it received and substantiated more complaints about Valley Medical than any other hospital in Santa Clara County. In response to this Ann Moses excellently stated:

We serve more patients than any other hospital. We're under enormous pressure to serve people who are denied care elsewhere. We do a fantastic job, in a fishbowl, under extreme pressure and we're subject to more scrutiny than any other institution. We're willing and able to stand up to that scrutiny any day.²²

The next year the family of a thirty-five year old man who suffered a heart attack and died at Valley Medical Center was awarded more than \$ 900,000.²³ The man's death, his family argued, was caused by negligent treatment he received at the hospital. Valley Medical claimed that its treatment was appropriate and that the man could not have survived the heart attack no matter what medical steps were taken. James Towerly, the San Jose lawyer who represented the hospital, called the

verdict a miscarriage of justice:

First of all, it is unfortunate when a jury has to second-guess a physician who is making life-saving decisions in an emergency situation.... Regrettably, in cases of this nature, juries tend to feel a great amount of sympathy for the heirs of a person who dies at such a young age.²⁴

In August of 1989, Valley Medical Center's dilemmas persisted. It was cited by the Bay Area's pollution monitoring agency for releasing too much smoke. The Bay Area air quality management district said that smoke from the hospital's incinerators contained infectious waste and drugs.²⁵ The incinerator has since been dismantled. Valley Medical Center is now using a retort sterilizer which breaks down waste and bacteria and destroys microorganisms.

Inevitably, the subject of renovation surfaced once more in 1992. This time the plans, now estimated at \$ 256.7 million, consisted of new facilities with a new hospital building, outpatient center and parking garage. The new building would be five stories tall and have 300,000 square feet of space. It would house adult and child intensive care units and surgical suites along with support programs and some laboratories. The outpatient center would be a three-story 100,000 square foot building, which would contain various labs and specialty clinics.²⁶ Idealistic as it was, the feat could not be accomplished. California's state budget and enormous deficit would not allow it.

Later that same year Valley Medical faced another difficult issue. An emergency room technician was charged with sexually assaulting three patients. The hospital fired the technician,

but the controversey remained in the fact that more than a year before the charges, two co-workers had told their supervisor that there was something unusual going on. Valley Medical Center replied that it didn't have enough information to act against the technician at the time.²⁷

POSSIBLE CLOSURE

The first month of 1993 proved to be an extremely stressful period of time for Valley Medical Center when Santa Clara County Executive Sally Reed drafted plans to study closing the hospital. Reed announced that she was very proud of the hospital, but she did not feel that the county could continue to afford the costs. On the other hand, Valley Medical officials said their preliminary estimates showed that the hospital was the most cost-effective way to serve the poor. They contended that if Valley Medical Center were to close, care for the poor could cost the County \$ 40 million to \$ 61 million a year, as opposed to the County's annual contributions to the hospital of \$ 18 million.²⁸

Santa Clara County supervisors voted on and flatly rejected the closing of Valley Medical Center, instead approving the development of preliminary architectural designs for a new hospital. But the future of the hospital is still uncertain. Santa Clara County faces a deficit in excess of \$ 80 million by the close of fiscal 1994 which will require massive cuts in county services. If the decision is made to build a new facility, the county has until June 1994 to file plans with the Statewide Health and Planning Department to be eligible for a state reimbursement program. This program, SB 2665, would finance a substantial part of the project.²⁹

Today Valley Medical Center is working with architects to develop a master plan for the rebuilding of the hospital. The

plans, which will most likely be submitted in a little over a year, must then be approved. The actual construction of the new facilities would not be completed until at least 1997.

VALLEY MEDICAL CENTER TODAY

At present Valley Medical Center is the busiest hospital in the county with over 1,000 patient visits per day.³⁰ It serves a much higher proportion of low-income patients than are seen by community hospitals. Many patients delay seeking care because of poverty and lack of insurance which results in more acute health problems once they arrive at Valley Medical. Also, the numerous private patients who are referred to Valley Medical Center are more critically ill than average patients at other hospitals.

For many years Valley Medical Center has served as a primary training resource for nurses, physicians, physical therapists, and clinic lab technologists. Most of the intern and residency programs are affiliated with the Stanford University School of Medicine. Others are very reputable free-standing programs.

Perhaps the most important aspect of Santa Clara Valley Medical Center is its outstanding care in specialized areas for which most private hospitals are simply not equipped. These specialties help generate an \$ 18.7 million profit for Valley Medical Center's inpatient services which partially offsets its losses.³¹ Among the better known, locally as well as nationally, are: the Regional Burn Center, the renown Rehabilitation Center for traumatic spinal cord and head injury patients, and the Regional Level III Neonatal Intensive Care Unit. Additional specialty care services include: the Pediatric Intensive Care Unit, Regional High-Risk Pregnancy Program, Paramedic Base Station Hospital, Chronic Renal Dialysis Service, Life Flight

Helicopter Transport Program, and Center for Child Protection.

Two other important units include: the Trauma Center, which is the County's only twenty-four hour comprehensive emergency room, capable of handling the most complicated cases, and the Regional Poison Information Center, located within the emergency room. Because the emergency room is one of the most stressful and hectic places to work, it takes extreme dedication to be a specialist there. The staff must work long hours, often at lower salary levels than incomes earned by employees in the private sector.

The staff of the Poison Information Center must deal with unknown substances, and unknown languages as well. Maria Asquith of San Jose is a volunteer interpreter in the emergency room of Valley Medical Center. She writes:

The emergency staff in the poison control center can identify any drug from any country. I have seen the staff identify a handful of snail bait brought in by a young mother, a pink pill from Brazil and an odd-looking liquid from Nigeria... This is where you find out what human nature is all about... They must be psychic in the evaluation of the next of kin and their needs at that particular time, their insurmountable fears can be alleviated only by a quiet, calm expertise and yet, I have seen these quiet experts retire to a corner and wipe tears from their eyes once the stress of the moment has passed.³²

The residents of Santa Clara County have supported and valued Valley Medical Center from the time Dr. George B. Crane saw "no more than seven patients a day," up until the present. Its historical commitment to quality care, its many services, and its nationally recognized specialty units have made it an

indispensable and highly esteemed part of the county's health care system, and the community at large.

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