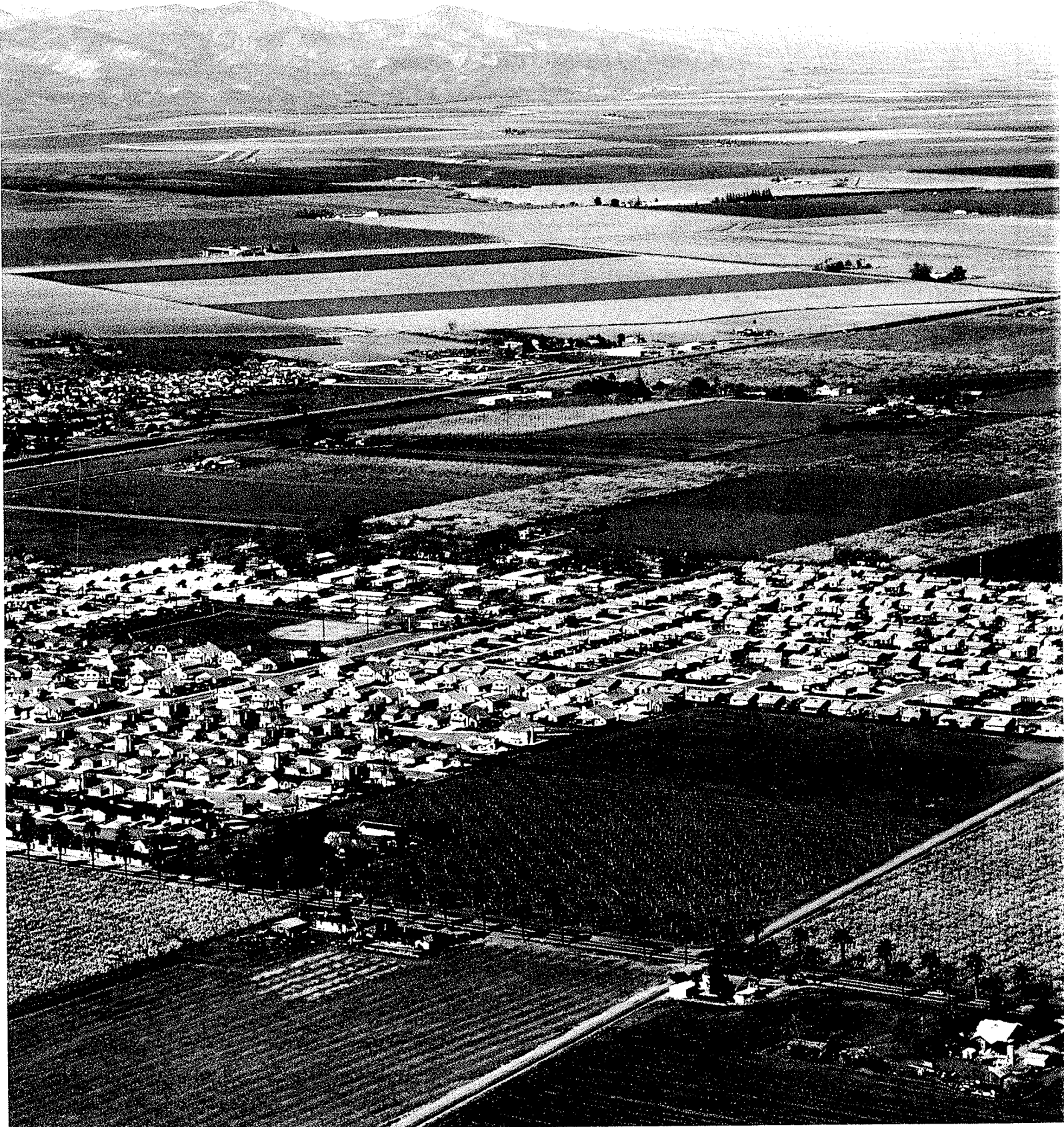


# PREPARING FOR CHANGE

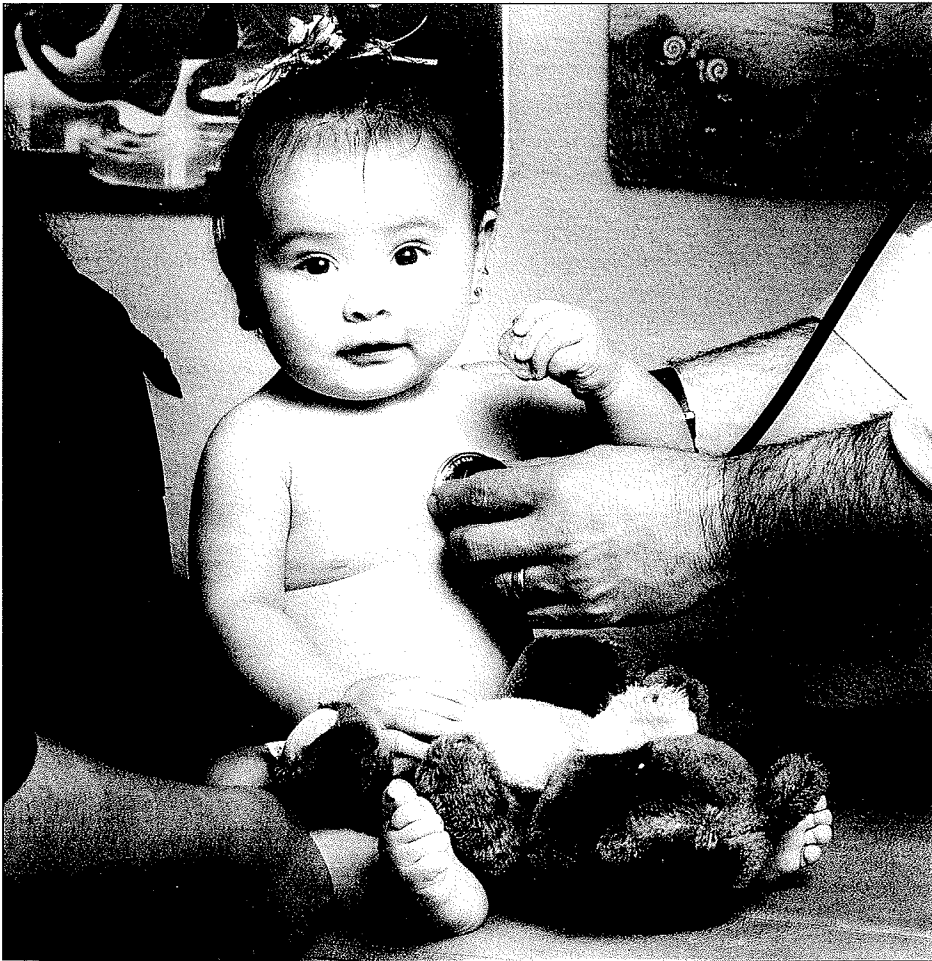


MERCED FAMILY HEALTH CENTERS, INC.  
1993 ANNUAL REPORT



# MISSION STATEMENT

*The mission of Merced Family Health Centers, Inc. is to improve the health status of our patients by providing quality, managed primary health care services to people in the communities we serve regardless of language, financial, or cultural barriers.*



*Young patient at the Dos Palos Health Center.*

## Our Values Are:

- ◆ To improve the health status of our patients by meeting their needs and expectations is our highest priority.
- ◆ To provide the community with responsive primary health care services promptly and courteously.
- ◆ To provide efficient and effective clinical and administrative management.
- ◆ To operate under strict budget controls.
- ◆ To insure community responsiveness by maintaining our non-profit corporation, governed by a majority of health consumers.
- ◆ To assure that no one is refused necessary health care services by reason of his/her inability to pay.
- ◆ To foster mutually beneficial relationships by encouraging Total Quality Management techniques.
- ◆ To foster a flexible environment that supports bold, creative and cost-effective solutions to healthcare needs in a competitive and changing environment.
- ◆ To increase access through expansion of quality managed primary health care services to underserved areas and populations.

# LEADERSHIP

**M**erced Family Health Centers, Inc. is leveling our vertical bureaucracy! The traditional organizational structure of a pyramid is beginning to be turned upside down. As we face the challenges of increased operating growth, managed care risk contracting, and demands to keep costs low, it will be incumbent that we meld a broader community and staff consensus into decision-making. We believe that our movement towards a flattened hierarchy, coupled with quality programs solving problems of our customers, will bring us continued success.

A Total Quality Management business climate is a high priority at MFHC. By 1995, our plan will be to have TQM functioning at all ten clinical sites. We are fortunate to have a state grant allowing us to fast-track our TQM program and share our results with other community health centers in California.

For the past year and a half, we have been decisive in our resolve to involve a wider audience in key decision-making.



*Executive Committee and Leadership Council standing before the construction sight of the new Childs Avenue Clinic are, left to right: Pierre Scales, M.D., Wade Gray, M.D., Ernestine Woods, R.N., Christine Noguera, M.S., Dave Simenson, M.D., Flora Martinez, Kent Angerbauer, D.D.S., Cindy Butler Hunt, M.D., Ge Moua, Mike Sullivan, M.S., Claudia Rusnak, MBA, Carolyn Pickett, R.N.*

new and enhanced programs in our agency. Last year, we added two new fully operational school-based clinics and constructed a new Family Health Center in Patterson. 1994 will open opportunities for expanded dental and medical services in Los Banos, Merced, and the Gustine-Newman area.

Our long-term strategic plan compels us to become an active participant in a managed care environment. We are evaluating our systems to assure compliance as a provider in a managed care setting.

The Leadership Council was formed in response to a general belief in a participatory management style. The results have been favorable. Without any additional administrative cost, using a shared decision-making methodology, MFHC has been able to expand in the areas of clinical productivity, staffing, and health education programs, ignoring many traditional growing pains. As a percent of our overall cost, management continues to decline.

The Board of Directors has seen fit to support



# PRIMARY CARE



*Dr. Heide Woo with newborn and mother at the Childs Avenue Clinic East*

**I**n the future, as health care shifts from specialty and hospital care to primary care within the context of managed care, MFHC will be in a strong position to compete in the marketplace.

Historically, the MFHC emphasis and practice has been on the provision of primary care defined as first contact with the health system that is:

**Accessible**—acceptable and affordable to patients,

**Comprehensive**—prevention and health education as well as diagnosis and treatment,

**Coordinated**— with other services as necessary, and

**Accountable**— to patients, the community and other health care providers. Incorporates quality of care.



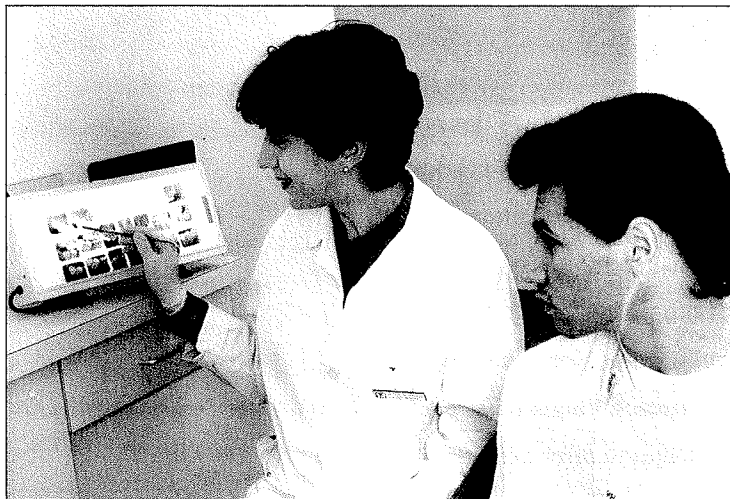
As we prepare for the future, it is essential that we maintain our capacity to expand staff and services to meet the requirements of the evolving health care delivery system and be prepared to meet the needs of our patients. We expect to meet the challenge in two ways:

- 1) By increasing the number of medical providers to insure access to care, and
- 2) To insure the proper mix of providers, e.g., Internists for older persons, Pediatricians for children, Obstetricians for pregnant women and Family Practitioners for family-centered care.

All of our medical providers are board certified in their specialties and maintain their skills through participation in appropriate continuing education programs.



*Westside field. Merced Family Health Centers served more than 18,000 migrant and seasonal farmworkers in 1993.*



*Hilda Kanon, D.D.S. going over dental x-rays at the Patterson Family Health Center*

The physician providers work as part of a team of professionals to assure that care is provided in a caring and sensitive manner and is of the highest quality. This team consist of midlevel practitioners, nurses, certified medical assistants and support staff.

The Dentists and support staff, like the Physicians and medical staff, are also looking to the future in terms of patient access, provider mix and availability of high quality dental services. Dentists and dental staff will be expanding to meet patient needs. The mix of providers will change to include dentists for children and dental hygienist.

# HEALTH EDUCATION



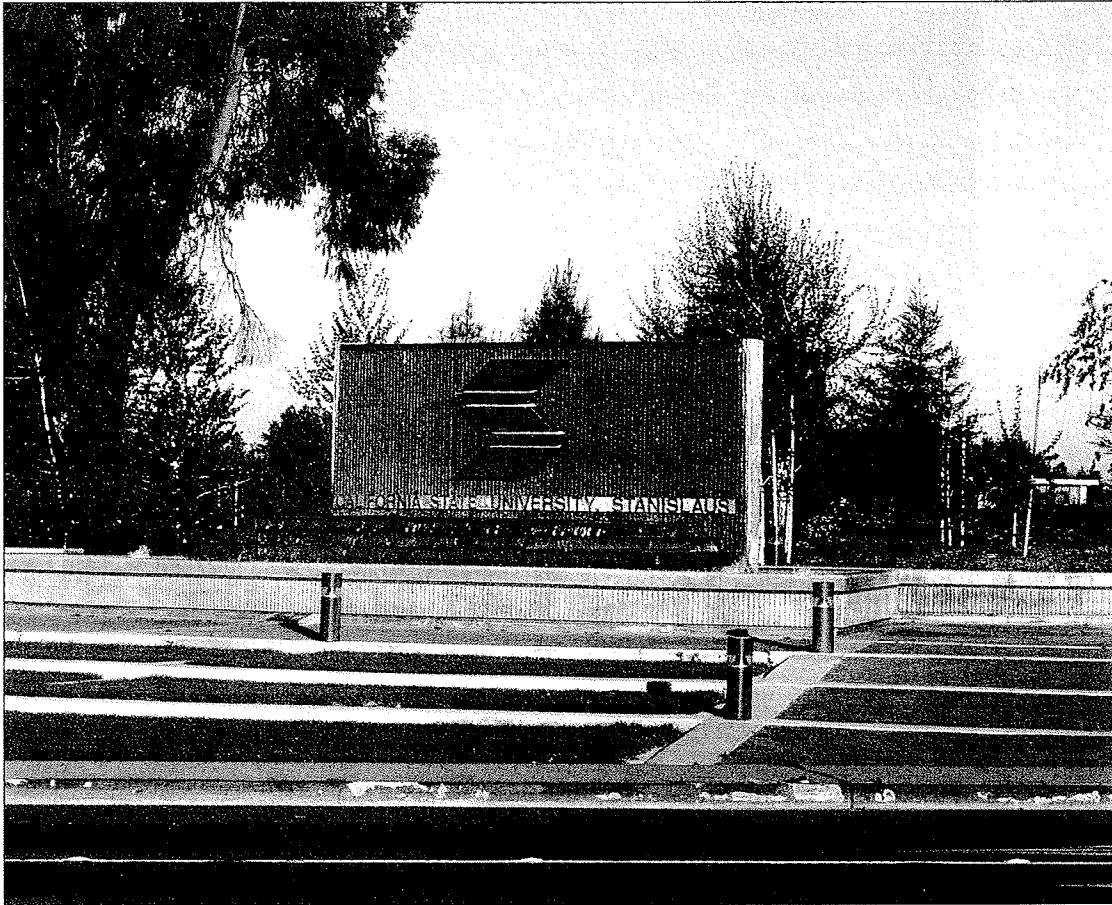
*At left: Expectant mothers with their families listen as Ying Moua explains the importance of child safety and nutrition at the Women's Health Center in Merced.*

*Below: Sylvia Hernandez from Family Health Center Nueva Esperanza, Los Banos, counsels teens on current healthcare issues.*



**H**ealth Education has always been an important component of medical care for the Merced Family Health Center staff. Health Education helps people increase control over, protect, and improve their health. It creates opportunities for people to learn how to control their own actions, as well as change the environments that influence their health. Health education emphasizes active participation, informed decision-making and self care skills.

During 1993, the Health Education department was enhanced through two grants, both with a focus on outreach education. First, the Migrant Outreach Program has enabled all sites to offer extended patient follow-up services, waiting room education and



*California State University Stanislaus (above), along with Merced and Modesto Junior Colleges combined to serve over 27,000 students each year.*

grant will allow each site to develop community level prevention activities aimed at cancer prevention.

Health Education should be a dynamic program, responding to the individual needs of each clinic site and community. To enhance each clinic's ability to provide programs for its specific needs, MFHC has decentralized health education. Each site is now able to develop its own health education plan based on a site needs assessment and developed through a



additional community education programs through health fairs and classes. Secondly, a new grant funded through CDC/NIOSH is for Cancer Prevention to farm populations. This

collaborative effort. At each site, the plan is coordinated by a health education task force.

All sites now offer prenatal education, including prepared childbirth classes in the primary languages of the patients, family planning counseling, HIV education and confidential testing services, tobacco prevention education, and preventive health activities.



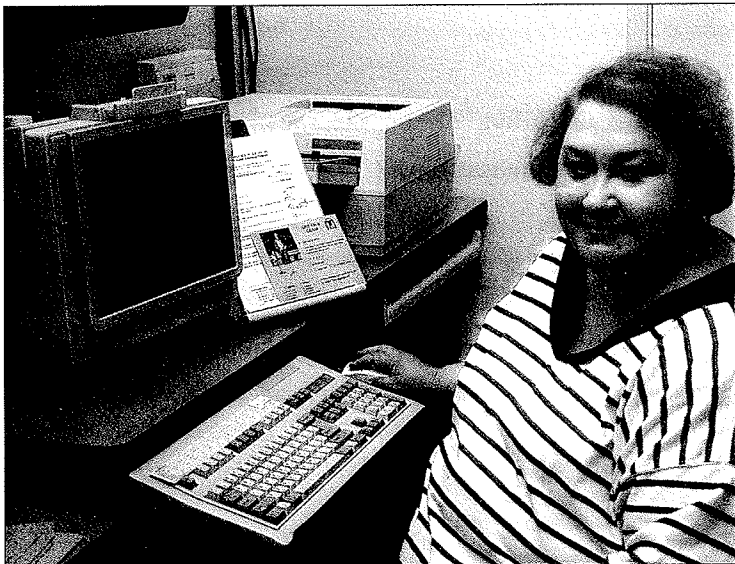
# TECHNOLOGY

8

The need for new technology is felt most acutely when expansion and change come rapidly. The past year has seen continued expansion at Merced Family Health Centers, and many changes coming from the Federal and State government.



*Long Doan, Financial Analyst, is helping to implement a budget process consistent with future reimbursement system. Bottom Left: Gloria Kohn enters information into the Ambuqual program at MFHC, Inc., assuring the provision of quality, efficient, and satisfying care.*



To meet the needs of our expansion, we selected and installed a new computer system in 1992. This system has patient accounting, payroll, accounts payable, and general ledger installed. We are working on implementing appointment scheduling. These systems are fully integrated with each other.

Since this implementation, MFHC has added clinical sites, improved our budgeting system, begun financial analysis at a departmental level, implemented electronic Medi-Cal billing, and begun to deal with the prospect of



managed care. All of these changes put new pressures on our data collection systems. To keep pace we have added hardware and increased the software beyond that offered by a single company. A computing network seems to be in the future. This network will allow access to all systems by a user with import and export capabilities.

The changes in the Federal government's plans for health care delivery will have a significant impact on the traditional way data is collected and presented in the health care industry. MFHC is committed to keeping abreast of these changes, which will necessitate changes and expansion in our data collection systems.

We plan to be ready for managed care and to continue to improve and expand our systems to meet our changing



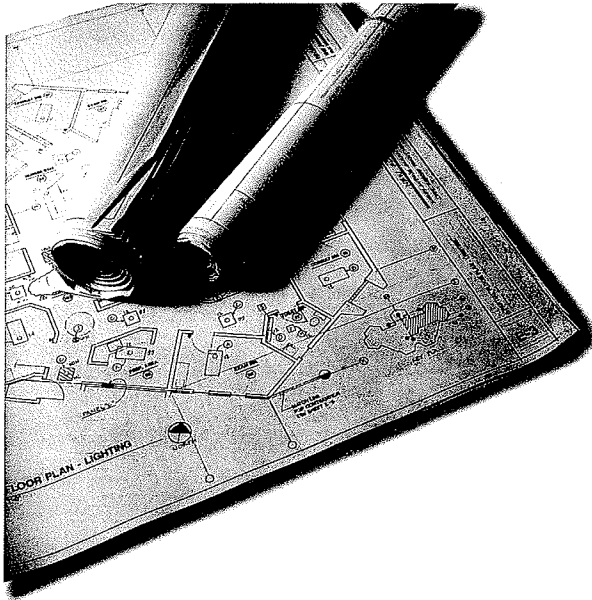
*The growth of the late 1980's is exemplified in the Red Lion Inn and Modesto Centre Plaza. Although growth has slowed in the 90's, the populations of Stanislaus and Merced Counties are expected to increase three percent annually until 2010.*

needs. Managed care, financial analysis, inventory control, fixed asset management, and purchasing systems are among those that we are currently planning.

Technology and rapid change in technology has become a way of life at MFHC. Systems are selected that have potential of growing along with us as well as meeting our current needs.

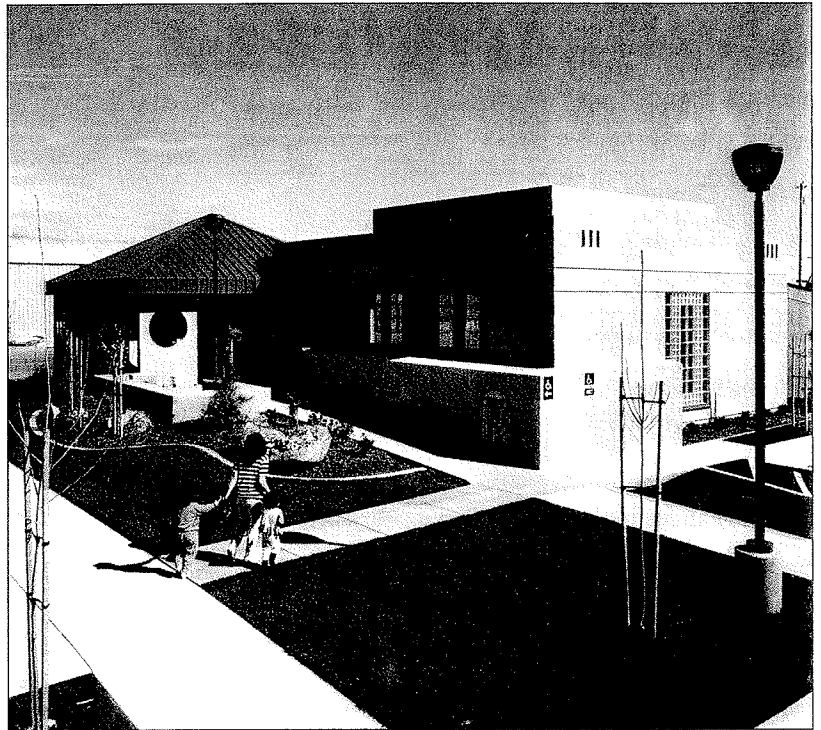


# PLANNING FOR GROWTH



**M**erced and Stanislaus counties have been identified by federal and

state agencies as medically underserved communities. For example, Merced County has the highest Medi-Cal user to general population ratio in California; Stanislaus County has more than 15,000 recent Southeast Asian refugees and over 19,000 migrant farmworkers. The number of primary care physicians available to see underserved populations is well below the national standard.



*The "new" Patterson Family Health Center.*

The MFHC goal has always been to respond to unmet primary care needs in the communities we serve. 1993 saw the beginnings of two "new" health centers, Robertson Road Family Resource Center and the "new" Patterson Family Health Center. Robertson Road is an elementary school-based comprehensive health center offering complete medical, dental and counseling services.

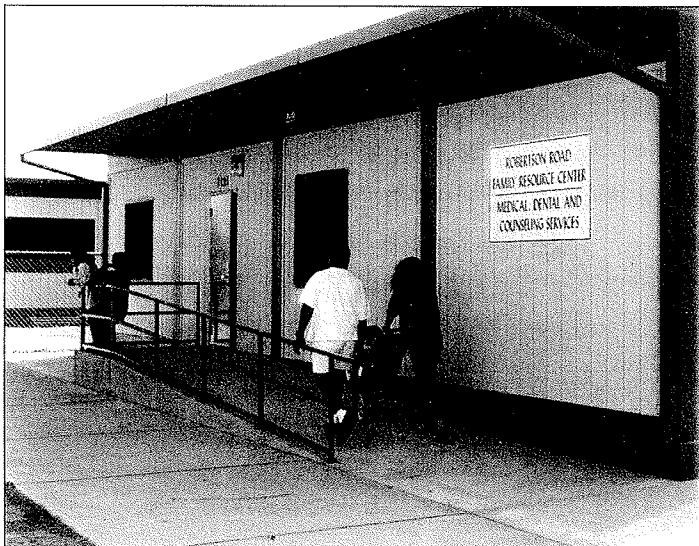
We were privileged to have Governor Pete Wilson "open" the Center during our Grand Opening in November. The 6200 square foot Patterson Family Health Center was completed in December and offers a new image, new services, and new efficiencies. A financing partnership

between the federal government and Bank of America made the new Health Center a dream come true!

Our goals in the next few years will be to build adequate primary care capacity in the communities we serve. In this era of reform, it is never too early to be ready for change. We are planning to expand our Los Banos Health Center so that we can be more self-sufficient. This will naturally mean building stronger relationships with community physicians.



*Governor and Mrs. Pete Wilson pose with Robertson Road Healthy Start staff during their Grand Opening tour of the facility in November.*



*Robertson Road Family Resource Center, a K-5 school based health center offering medical, dental, and counseling services.*

Operating our second school-based clinic in Modesto at Hanshaw Middle School will bring us closer to the community of greatest need and priority, our children. This multi-agency collaborative has taught us that we can do more as a larger network of schools, mental health providers, health centers, and other human service providers.

Finally, our future is imbedded in our Mission of providing quality primary care services to the medically underserved regardless of language, cultural, or financial barriers. With that, it will be necessary to construct partnerships at every opportunity.

# FINANCIAL/STATISTICS

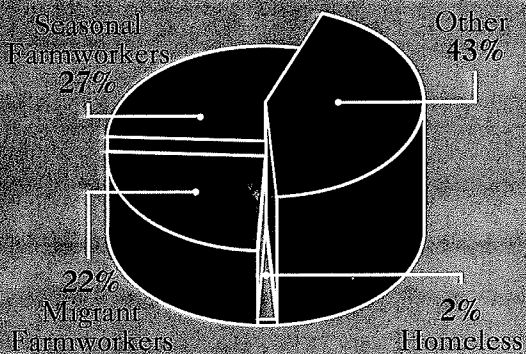
## Operating Statistics

Site	Encounters	Costs	Users
Merced	51,623 44%	5,256,042 57%	13,058 42%
Planada	12,210 11%	591,986 7%	3,326 10%
Los Banos	15,449 13%	1,144,546 12%	5,328 16%
Dos Palos	7,129 6%	388,187 4%	2,332 6%
Modesto	22,637 20%	1,522,143 13%	6,788 19%
Patterson	7,578 6%	588,384 7%	2,544 7%
<b>Totals:</b>	<b>116,626 100%</b>	<b>9,491,288 100%</b>	<b>33,376 100%</b>

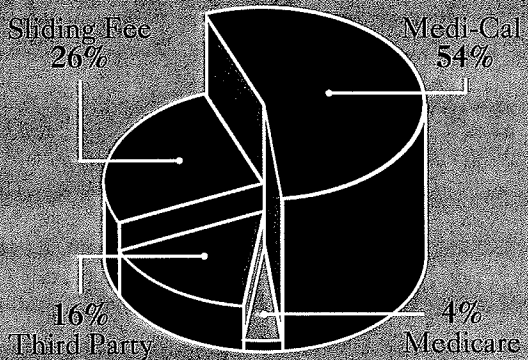
## Community Service Visits

Services	Visits
Outreach	2,716
Community Education	4,240
Substance Abuse	196
Environmental Health	180
Nutrition	1,801
<b>Totals:</b>	<b>9,133</b>

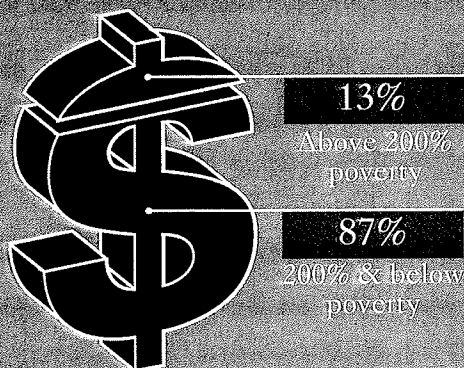
## Special Populations



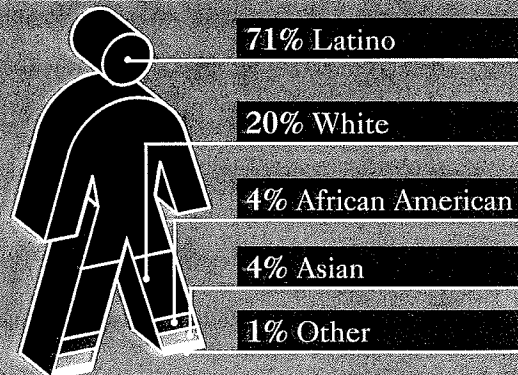
## Payor Mix



## Patient Income



## Ethnic Mix



# LEADERSHIP

## BOARD OF DIRECTORS 1993-94

### CONSUMER DIRECTORS

**Epifanio Buelna**  
Merced

**Alicia Dicochea**  
Los Banos

**Estanislao Guerrero**  
Modesto

**Joe Lozano**  
Merced

**Flora Martinez**  
*President*  
Planada

**Arturo Morales**  
Patterson

**Ge Moua**  
*Treasurer*  
Merced Lao Family Community, Inc

**Angie Olivo**  
Modesto

### PUBLIC DIRECTORS

**Michael Ford, M.P.H., Director**  
Merced County Health  
Department

**Cora Gonzales, L.V.N.**  
*Secretary*  
Livingston Medical Group

**Timothy Johnston, M.D.**  
Residency Program

**John Price**  
General Contractor/Farmer

**Perry Rickard, Director**  
Stanislaus County Health  
Department

**Ernestine Woods, R.N.**  
*Vice President*  
School Nurse

## LEADERSHIP COUNCIL

**Kent Angerbauer, DDS**  
*Dental Director*  
*Director of Operations*

**Cindy Butler Hunt, M.D.**  
*Director of Medical Services*

**Mark Davis, M.D.**  
*Medical Manager*

**Christine Noguera, M.S.**  
*Director of Planning, Education,*  
*and Evaluation*

**Carolyn Pickett, R. N.**  
*Assistant Director of Operations*

**Claudia Rusnak, MBA**  
*Finance Director*

**Pierre Scales, M.D.**  
*Asst. Director of Medical Services*

**Michael O. Sullivan, M.S.**  
*Executive Director*



# PROVIDERS

**John Aleman, MD**

*Childs Avenue Clinic East*  
University of California, San Francisco, 1978  
Diplomate, American Board of Family Practice

**Jeff Armstrong, PA-C**

*Dos Palos Health Center*  
University of Oklahoma PA Program, 1986  
Certified Family Physician Assistant

**Nancy Brown, MD**

*West Modesto Medical Clinic/Robertson Road  
Family Resource Center*  
University of California, Davis, 1990  
Diplomate, American Board of Pediatrics

**Edwin Cheng, D.D.S.**

*Childs Avenue Clinic Dental*  
Northwestern University Dental School, 1991  
General Dentistry

**Mark Davis, MD**

*West Modesto Medical Clinic/Robertson Road  
Family Resource Center*  
University of Vermont College of Medicine, 1988  
Diplomate, American Board of Family Practice

**Phyllis Elshishans, M.D.**

*Dos Palos Health Center*  
Southwestern Medical School, 1986  
Diplomate, American Board of Internal Medicine

**Rollington Ferguson, MD**

*Family Health Center Nueva Esperanza*  
University of California, Charles R. Drew, 1990  
Candidate Fellow, American Board of  
Internal Medicine

**Jay French, PA-C**

*Patterson Family Health Center*  
FNP/PA Program, U.C. Davis Medical School, 1989  
Certified Family Physician Assistant

**Wade Gray, MD**

*West Modesto Medical Clinic*  
University of California, Davis, 1990  
Diplomate, American Board of Family Practice

**Laurie S. Hedden, M.D.**

*Family Health Center Nueva Esperanza*  
University of California, Davis, 1980  
Diplomate American Board of Family Practice

**Cynthia Butler Hunt, MD**

*Family Health Center Nueva Esperanza*  
Loyola Stritch School of Medicine, 1984  
Diplomate, American Board of Internal Medicine  
Diplomate, American Board of Pediatrics

**Loan Huynh, D.D.S.**

*West Modesto Medical Clinic*  
University of the Pacific, 1991  
General Dentistry

**Hilda Kanon, D.D.S.**

*Patterson Family Health Center*  
UCLA Dental School, 1990  
General Dentistry

**Elisa Kong, PA**

*West Modesto Medical Clinic/Robertson Road  
Family Resource Center*  
FNP/PA Program, U.C. Davis Medical School, 1990  
Certified Family Physicians Assistant

**John Lee, D.D.S.**

*Childs Avenue Clinic Dental*  
Marquette University, 1986  
General Dentistry

**Barbara Lewis, PA-C**

*Childs Avenue Clinic East*  
State University of New York at Stony  
Brook, 1992  
Certified Family Physicians Assistant

**Jerry Lewis, PA-C**

*Planada Family Health Center*  
Stanford Primary Care Association  
Program, 1988  
Certified Family Physicians Assistant

**Miguel Lizarraga, MD**

*Planada Family Health Center*  
University of Texas at San Antonio Medical  
School, 1988  
Diplomate, American Board of Family Practice

**E. Jeanette López, MD**

*Childs Avenue Clinic West*  
University of Minnesota  
Diplomate, American Board of Family Practice

**Benjamin A. Maldonado, M.D.**

*West Modesto Medical Clinic*  
University of the East Philippines, 1963  
Diplomate, American Board of Obstetrics and  
Gynecology

**Cameron Mitchell, M.D.**

*Women's Health Center*  
University of California, Irvine, 1990  
Diplomate, American Board of Family Practice

**Linda Rake, PA-C**

*West Modesto Medical Clinic/Robertson Road  
Family Resource Center*  
FNP/PA Program, U.C. Davis Medical School, 1993  
Certified Physicians Assistant

**Tryna Ramos, PA-C**

*Childs Avenue Clinic West*  
PA Program, Yale University, 1992  
Certified Family Physicians Assistant

**Ray Rodriguez, D.D.S.**

*Family Health Center Nueva Esperanza*  
U.C., San Francisco School of Dentistry, 1988  
General Dentistry

**Salvador Sandoval, MD**

*Childs Avenue Clinic East*  
University of California, San Diego, 1975  
Diplomate, American Board of Family Practice

**Pierre Scales, MD**

*Women's Health Center*  
Loma Linda University School of Medicine, 1984  
Diplomate, American Board of Obstetrics  
and Gynecology

**Bounlath Souksavong, PA-C**

*Childs Avenue Clinic West*  
FNP/PA Program, U.C. Davis Medical School, 1991  
Certified Family Physician Assistant

**David Simenson, MD**

*Childs Avenue Clinic West*  
Tulane University School of Medicine, 1981  
Diplomate American Board of Family Practice

**Farideh Ghoddusi-Tabarsi D.D.S.**

*Family Health Center Nueva Esperanza*  
University of the Pacific, 1991  
General Dentistry

**Long Thao, MD**

*Patterson Family Health Center*  
Southern Illinois University, 1988  
Diplomate, American Board of Family Practice

**Brian Vierra, MD**

*Women's Health Center*  
Loyola Stritch School of Medicine, 1987  
Diplomate, American Board of Obstetrics and  
Gynecology

**Richard Warness, MD**

*Childs Avenue Clinic East*  
University of Iowa, 1965  
Family Practice

**Bernard Williams, PA-C**

*Family Health Center Nueva Esperanza*  
Stanford University, 1993  
Certified Family Physicians Assistant

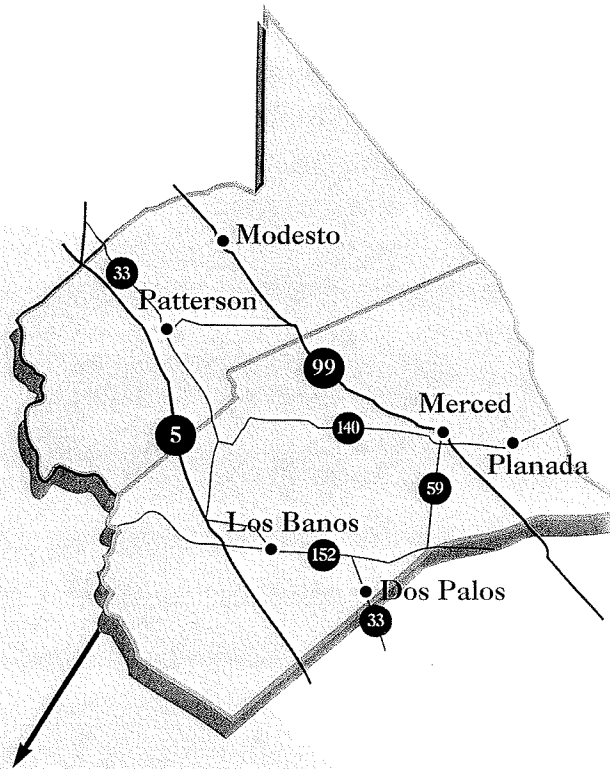
**Jean Wisner, CNM**

*Women's Health Center*  
University of Illinois, 1989  
Certified Nurse Midwife  
American College of Nurse Midwives

**Heide Woo, MD**

*Childs Avenue Clinic East*  
University of Chicago, Pritziker School of  
Medicine, 1990  
Diplomate, American Board of Pediatrics

# SERVICE AREA AND CENTER SITES



Merced Family Health Centers, Inc. serve both Merced and Stanislaus Counties. Located in the heart of California's Central Valley, both are ranked in the top ten leading agricultural counties in the United States. Roughly one-third of their combined workforce is involved in growing, processing or packaging food products. Some of the counties largest employers include: E&J Gallo, Foster Farms, Campbell Soup, Del Monte and Hershey Foods.

Both counties have experienced above average growth in the last decade as Bay Area employed commuters discovered the Central Valley's lower cost of living, affordable housing, moderate climate and convenient location.

Cultural activities tend to center on agriculture, fairs, festivals, and rodeos. But both counties excel in the performing arts as well. Theater, ballet, symphony concerts, and other arts are regularly featured. Stanislaus and Merced Counties are within a few hours of Yosemite Valley, San Francisco, Monterey, Napa Valley and the Sierras, allowing residents the chance to experience virtually all California has to offer.

**CHILDS AVENUE CLINIC**  
727 West Childs Ave.  
Merced, CA 95340  
(209) 383-7441

**PATTERSON FAMILY HEALTH CENTER**  
200 C Street  
Patterson, CA 95363  
(209) 892-8441

**PLANADA FAMILY HEALTH CENTER**  
9235 West Broadway  
Planada, CA 95365  
(209) 382-0253

**WEST MODESTO MEDICAL CLINIC**  
1114 Sixth Street  
Modesto, CA 95354  
(209) 576-2845

**WOMEN'S HEALTH CENTER**  
787 West Childs Ave.  
Merced, CA 95340  
(209) 383-5871

**ROBERTSON ROAD FAMILY RESOURCE CENTER**  
1121 Hammond Street  
Modesto, CA 95351  
(209) 576-4437

**HANSHAW FAMILY RESOURCE CENTER**  
1725 Las Vegas Street  
Modesto, Ca 93635  
(209) 576-4847

**FAMILY HEALTH CENTER NUEVA ESPERANZA**  
821 Texas Ave.  
Los Banos, CA 93635  
(209) 826-1045

**DOS PALOS HEALTH CENTER**  
1405 California Avenue  
Dos Palos, CA 93620  
(209) 392-2111



**ABOUT THE COVER:** Once a predominately agricultural town, Patterson now serves as a bedroom community to Bay Area commuters who enjoy affordable housing and slower paced lifestyle. As populations grow throughout the Central Valley, Merced Family Health Centers continues to adjust with this growth.



**MERCED FAMILY HEALTH CENTERS, INC.**

727 West Childs Avenue. • Merced, CA 95340 • (209) 383-7441