

The Seismic conversation at the state level

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Fri 12/8/2023 2:56 PM

To: Susan Savage <ssavage@mcdh.org>; Lee Finney <lfinney@mcdh.org>; Sara Spring <sspring@mcdh.org>; Paul Katzeff <pk@thanksgivingcoffee.com> <pk@thanksgivingcoffee.com>; Paul Garza <pgarza@mcdh.org>

Cc: Miller, William <millerw01@ah.org>; Ted Williams <williamst@mendocinocounty.org>; Mary Kate McKenna <marykate@mchfoundation.org>

As a follow up to the conversation last evening at the District Board regarding the seismic issue that is plaguing hospitals across the state, I thought you might find the latest information from the California Hospital Association of interest.

[AB-869-Senate-Health-Support-if-Amended-Final-06232023.pdf \(calhospital.org\)](#)

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[ADVENTISTHEALTH:INTERNAL]



June 23, 2023

The Honorable Susan Eggman
Chair, Senate Health Committee
1021 O St., Room 3310
Sacramento, CA 95814

SUBJECT: AB 869 (Wood) – SUPPORT IF AMENDED

Dear Senator Eggman:

While California’s hospitals have already spent billions to strengthen their buildings so they will be able to withstand powerful earthquakes, they must still meet a 2030 deadline that requires them to spend tens of billions more to be *fully operational* after an earthquake. This deadline will force many hospitals to close if they are unable to comply. Assembly Bill (AB) 869 would provide much-needed relief for some of the rural and district hospitals most challenged in meeting these seismic requirements. However, it is also critical that the Legislature protects the same access to care for every community whose hospitals are unable to meet the 2030 deadline. **For these reasons, the California Hospital Association, on behalf of more than 400 hospitals and health systems, supports, if amended, AB 869.**

Nearly all California hospitals have spent the last decade retrofitting their buildings to prevent collapse after a major earthquake. The need for relief from the 2030 *fully operational* mandate is widespread and critical. More than 3 out of 5 (63%) California hospitals (over 260) have not met the 2030 seismic requirements. Of these, over half (51%) report that they will not be able to meet the 2030 deadline on time or at all. Given the financial losses spurred by the pandemic (\$12 billion through 2021 alone), unprecedented inflation in the cost of delivering health care, and the long-term workforce shortage, many hospitals will be forced to close, unless the law changes.

We applaud this bill for granting extensions to hospitals in some of California’s most vulnerable communities. As the state saw with the closure of Madera County’s only hospital in January, the health of any community is at grave risk when its hospitals are at risk. People who are in car accidents, have heart attacks and strokes, and need to give birth must travel great distances to receive care when a local hospital closes. While AB 869 would safeguard those lifesaving services for some communities, a solution is still needed for the many communities whose hospitals are not accounted for in this bill.

For these reasons, CHA respectfully requests your “AYE” vote on AB 869 if it is amended.

Sincerely,

A handwritten signature in black ink, appearing to read 'K Scott', with a long horizontal flourish extending to the right.

Kathryn Austin Scott
Senior Vice President, State Relations and Advocacy

cc: The Honorable Jim Wood, DDS
The Honorable Members of the Senate Health Committee
Melanie Moreno, Consultant, Senate Health Committee
Joe Parra, Consultant, Senate Republican Caucus

The Honorable Assemblyman Jim Wood
State Capitol
P.O. Box 942849
Sacramento, CA 95814

RE: Support for AB 869

The Mendocino Coast Healthcare District Board of Directors enthusiastically endorses your Assembly Bill 869 to amend existing requirements for hospitals and health care special districts to meet seismic standards by 2030.

The Mendocino Coast Healthcare District is responsible for retrofitting the only acute care facility within 30 to more than 60 miles over mountain roads for approximately 29,000 people living on the remote Mendocino Coast. The District, with very limited resources, is working with the community to assess and address the seismic compliance needs of an aging and outdated structure built in the 1970's. Preliminary assessments suggest that most of the facility does not meet 2030 earthquake standards. Very preliminary cost estimates are in the vicinity of \$40 million dollars to comply with existing law. While there is community discussion about building a new hospital at a cost of over \$100 million, funding and timing for such an endeavor is likely to be very difficult.

In 2018, voters passed Measure C, a local parcel tax to support maintaining critical hospital services on the coast that sunsets in 2030. The District was also able to avert closing its 25-bed critical access hospital in 2020 by affiliating with Adventist Health through a lease agreement. However, the availability and sustainability of high quality acute care for an aging rural population within a changing local economy remains a challenge.

Requirements to meet seismic standards add an additional challenge that could result in eventual closure unless the right choices are made as we address questions of retrofitting the existing structure or finding resources to build a new one that meets current needs. To obtain the structural analysis of the current facility in order to make informed choices with a fully engaged community takes time that this bill could provide by delaying the deadline for seismic compliance to 2035. The potential for funding included in this bill will be crucial for the District's ability to implement the recommended work once a choice has been made and a plan acceptable to all parties is complete.

We thank you for your very timely and excellent work on this bill to address a serious concern in our area. Please let us know if there is anything further we can do to support passage of this essential legislation.

Lee Finney
Chair of the Board of Directors
Mendocino Coast Health Care District