

# HEFFERNAN MEMORIAL



## HEALTHCARE DISTRICT

President  
Rodolfo Valdez  
Vice-President  
Sylvia Bernal  
Treasurer  
Paloma Sanchez  
Secretary  
Raul Urena  
Trustee  
Adriana Armendariz

**601 HEBER AVE.  
CALEXICO, CALIFORNIA 92231**

Executive District  
Manager  
Tomas Virgen

**NOTICE OF REGULAR MEETING  
ON  
Wednesday, May 17, 2023**

General Counsel  
Eduardo Rivera

Board Clerk  
Brenda Ryan

**THE BOARD OF DIRECTORS OF HEFFERNAN MEMORIAL HEALTHCARE DISTRICT  
WILL CONDUCT A  
REGULAR MEETING**

**THE MEETING WILL BEGIN AT  
5:30 P.M  
A T  
THE BOARD'S REGULAR MEETING PLACE  
601 HEBER AVE.  
CALEXICO, CA. 92231**

### AGENDA

**1. CALL TO ORDER**

**2. ROLL CALL-DETERMINATION OF QUORUM**

**3. PLEDGE OF ALLEGIANCE**

**4. CONSIDER APPROVAL OF AGENDA:**

In the case of an emergency, item may be added to the agenda by a majority vote of the Board of Directors. An emergency is defined as a work stoppage, a crippling disaster, or other activity that severely imperils public health, safety, or both. Also, items that arise after the posting of the agenda may be added by a 2/3 vote of the Board. Items on the agenda may be taken out of sequential order as their priority is determined by the Board of Directors. The Board may take action on any item appearing on the agenda.

**5. PUBLIC COMMENT TIME:**

Public comment time on items not appearing on the agenda will be limited to 3 minutes per person and 15 minutes per subject. The Board may find it necessary to limit total time allowable for all public comment on items not appearing on the agenda at any one meeting to one hour. Persons

desiring longer public comment time and/or action on specific items shall contact the Secretary and request that the item be placed on the agenda for the next regular meeting.

**6. CONSENT CALENDAR:**

Any member of the Board, staff or public may request that items for the Consent Calendar be removed for discussion. Items so removed shall be acted upon separately immediately following approval of items remaining on the Consent Calendar.

- a. Approve minutes for meetings of April 12, 2023 and April 19, 2023.
- b. Approve Treasurer Report.

**7. REPORTS ON MEETING AND EVENTS ATTENDED BY DIRECTORS, AND AUTHORIZATION FOR DIRECTOR ATTENDANCE AT UPCOMING MEETINGS AND EVENTS/DIRECTORS COMMENTS:**

- a. Brief reports by Directors on meetings and event attended. Schedule of upcoming Board meetings and events.

**8. REPORTS BY ALL HMHD COMMITTEES**

**9. COMMENTS BY PROMOTION AND PUBLIC RELATIONS TONY PIMENTEL**

**10. COMMENTS BY EXECUTIVE DISTRICT MANAGER TOMAS VIRGEN**

**11. COMMENTS BY GENERAL COUNSEL EDUARDO RIVERA**

**12. DISCUSSION AND/OR ACTION ITEMS:**

- a. Discussion and/or Action: Assembly Bill 918.
- b. Discussion and/or Action: Consideration of approval of security contract for the 400 Mary building after 09/15/2023.
  - 1. Update on 400 Mary modernization project.
- c. Discussion and/or Action: Scholarship Program:
  - 1. Announcement and approval of qualified applications for HMHD's scholarship.
  - 2. Discussion and consideration of conditionally approved scholarships pending final verification.
- d. Discussion and/or Action: Approval of HMHD's Final Budget for FY 2023/24.
- e. Discussion and/or Action: Approval of attendance by the Board of Directors to the annual ACHD conference September 2023.
- f. Discussion and/or Action: HMHD Service Area Plan contractor information and review of cost estimates.
- g. Discussion and/or Action: Consideration of HMHD health fair (date, place and additional health/city participants).
- h. Discussion and/or Action: HMHD's grants and authorization for release of Request for Proposals.
- i. Discussion and/or Action: Review and consideration of costs for transmitting HMHD's board meeting via Facebook or other media outlets.

**13. ITEMS FOR FUTURE AGENDAS:**

This item is placed on the agenda to enable the Board to identify and schedule future items for discussion at upcoming Board meetings and/or identify press release opportunities.

**14. ADJOURNMENT:**

- a. Regular Board meetings are held on the second Wednesday of each month.
- b. The next regular meeting of the Board will be held at 5:30 P.M., June 14, 2023.
- c. The agenda package and material related to an agenda item submitted after the packet's distribution to the Board are available for public review in the lobby of the district office during normal business hours

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**POSTING STATEMENT**

A copy of the agenda was posted May 14, 2023, at 601 Heber Avenue, Calexico, California 92231 at 4:35 p.m. Pursuant to CA Government code 54957.5, disclosable public records and writings related to an agenda item distributed to all or a majority of the Board, including such records and written distributed less than 72 hours prior to this meeting are available for public inspection at the District Administrative Office, 601 Heber Avenue, Calexico, CA.

**NOTICE** In compliance with the Americans with Disabilities Act, any individuals requesting special accommodations to attend and/or participate in District Board meetings may contact the District at (760)357-6522. Notifications 48 hours prior to the meeting will enable the District to make reasonable accommodations.



## **AB 918 Frequently Asked Questions and Answers**

### **What will AB 918 do?**

AB 918 will allow the expansion of the existing Pioneers Memorial Healthcare District to include all of Imperial County. The healthcare district will be renamed to Imperial Valley Healthcare District. Furthermore, the bill will require the healthcare district to file a resolution of application to the Imperial County Local Agency Formation Commission (LAFCo) to initiate proceedings to expand the district, dissolve the Heffernan Memorial Healthcare District and transfer all the assets, rights, and responsibilities of that district to the Imperial County Healthcare District, and require the current board to expand from five to seven members, among other provisions.

### **What are some of the barriers preventing Imperial County residents' access to healthcare providers and services?**

Some of the barriers include shortages in the number of primary care providers and various medical and surgical specialties, excessive wait times for medical care, a lack of urgent care services, and a lack of public transportation.

### **How do Imperial County stakeholders believe they can address the persistent healthcare needs in the region?**

Imperial County stakeholders believe that expanding the current healthcare district through the legislative process, similar to the expansion of the Desert Healthcare District through AB 2414 (Garcia, 2016), is the best route to address the persistent healthcare needs in the region.

### **What will be the role of the newly created Imperial Valley Healthcare District?**

The Imperial Valley Healthcare District will be responsible for improving access to necessary medical care for the residents of Imperial County. This will include addressing shortages in primary care providers and various medical and surgical specialties, reducing excessive wait times for medical care, and providing urgent care services.

### **How will the new healthcare district be established?**

AB 918 proposes to expand the existing Pioneers Memorial Healthcare District and dissolve the Heffernan Memorial Healthcare District. All assets, rights, and responsibilities of the dissolved district will be transferred to the new healthcare district. An interim board will be established, which will include two directors from each of the existing healthcare districts, two representatives from the City of El Centro, and one representative from the County of Imperial. The board will later be expanded to include seven members, with two members being appointed to fill the vacant positions, provided that they are residents of the newly annexed territory.

### **What will be the process for electing members to the board of directors?**

Once the board is expanded to include seven members, the bill requires the board of directors to adopt a resolution to divide the Imperial Valley Healthcare District into voting districts for the purpose of electing members of the board of directors from and by the electors of those voting districts. This process will begin with the next district election.

**What is the likelihood of AB 918 being approved?**

The expansion and funding for the Imperial Valley Healthcare District will have to be approved, but AB 918 has already been introduced by Assemblymember Eduardo Garcia and is currently making its way through the legislative process. The bill has support from various stakeholders in the region, and the impending closure of El Centro Regional Medical Center (ECRMC) has further highlighted the need for improved healthcare access in Imperial County. Ultimately, the success of the bill will depend on the support it receives from legislators and other stakeholders.

**Who are the Imperial Valley stakeholders you have consulted in regards to this bill?**

These last few months, Assemblymember Garcia's office has held several stakeholder meetings and has met with the following groups:

- Association of California Healthcare Districts
- City of Brawley leadership
- City of Calipatria leadership
- City of El Centro leadership
- City of Holtville leadership
- City of Imperial leadership
- El Centro Regional Medical Center Board
- Imperial County Board of Supervisors
- Imperial County community
- Imperial County Local Agency Formation Commission
- Heffernan Memorial Healthcare District
- Pioneers Memorial Healthcare District
- UC San Diego Health

Additionally, our office has been proactive in receiving feedback on the bill from these stakeholders along with the local elected officials of Imperial County cities. Today's community briefing on AB 918 is only one of many conversations Assemblymember Garcia has held in regards to this bill. He will continue to meet with stakeholders in order to achieve a single countywide healthcare district and to inform the community in the coming weeks.

**Will there be further changes to the bill language?**

Yes; as we continue to meet with stakeholders and go through the legislative process, we anticipate there to be more language changes.

**For More Information:**

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Erika Valle | Legislative Aide  
Office of Assemblymember Eduardo Garcia  
[Erika.Valle@asm.ca.gov](mailto:Erika.Valle@asm.ca.gov) | (916) 319-2036



## AB 918 Related Healthcare Bills

### **SB 112 (Budget Committee)**

This bill establishes the Distressed Hospital Loan Program (DHLP), until January 1, 2032, which will provide interest free cash flow loans to not-for-profit hospitals and public hospitals, as defined, in significant financial distress, or to governmental entities representing closed hospitals. Requires the Department of Health Care Access and Information (HCAI) to administer the DHLP and to enter into an interagency agreement with the California Health Facilities Financing Authority (CHFFA) to implement the DHLP. Authorizes Department of Finance to transfer up to \$150 million from the General Fund to the DHL Fund between fiscal years 2022-23 and 2023-24 to implement this program.

### **AB 412 (Soria & Garcia): Distressed Hospital Loan Program**

Establishes the Distressed Hospital Loan Program (DHLP), until January 1, 2032, which will provide interest free cash flow loans to not-for-profit hospitals and public hospitals, as defined, and in significant financial distress, or to governmental entities representing a closed hospital. Requires the Department of Health Care Access and Information (HCAI) to administer the DHLP and to enter into an interagency agreement with the California Health Facilities Financing Authority (CHFFA) to implement the DHLP.

### **AB 869 (Wood & Garcia) : Hospitals: seismic safety compliance.**

This bill requires the Small and Rural Hospital Relief Program (SRHRP) within the Department of Health Care Access and Information (HCAI) to give first priority to single- or two-story general acute care hospitals (hospitals) that meet specified criteria for grants to conduct structural performance category (SPC)-4D assessments (cost estimates) and planning for the purposes of meeting seismic safety standards, and extends, from 2030 to 2035, the deadline for these hospitals to meet the SPC-4D standards.

This bill also exempts a hospital with an SPC-4D assessment from meeting the seismic safety standard if HCAI determines doing so would cause financial hardship for the hospital and funds are not available to assist with compliance.

Additionally, this bill authorizes a health care district hospital (HCDH) with a seismic safety assessment, if HCAI determines it is financially distressed, to apply for a grant to meet the 2030 seismic safety standard, and delay meeting the seismic requirement to 2035, or until sufficient funds are available to meet the requirement, if HCAI determines the cost of meeting the standard otherwise would result in a financial hardship that may cause the HCDH to close.

### **SB 870 (Caballero): Medi-Cal: managed care organization provider tax**

Renews the expired managed care organization (MCO) provider tax on an unspecified timeline and with unspecified rates, and states the intent of the Legislature that the MCO tax will serve, in part, as a vehicle to better fund Medi-Cal reimbursements and to prevent the closure of rural hospitals.

### **AB 1131 (Garcia): Healthcare: Hospitals First Revolving Fund**

Establishes the Hospitals First Revolving Fund (HFRF), administered by the Department of Health Care Access and Information (HCAI), to offer grants and low-cost loans to hospitals in rural and medically underserved communities to prevent the closure of a hospital or facilitate the reopening of a closed hospital.

### **California Hospital Association \$1.5 billion Budget Ask**

A one-time ask of \$1.5 billion for California's hospitals so they can continue to provide care for vulnerable communities throughout the state. The huge losses sustained due to the pandemic (\$12 billion) and skyrocketing inflation, combined with severe underfunding of the state's Medi-Cal reimbursement rates, have created a health care crisis that risks access to care for communities that need it most. Multiple hospitals throughout the state are already closing and reducing the services they offer, and many more are just weeks or months from having to consider similar measures. The cost of providing care has skyrocketed, with a 16% increase in labor, a 41% increase in pharmaceutical costs, and a 19% jump in medical supplies. Exacerbating the current crisis is a structural problem with Medi-Cal reimbursement. As California has expanded the number of Medi-Cal enrollees, reimbursement for their care has not kept pace. California pays just 74 cents for each dollar it costs to care for Medi-Cal patients, a rate that has not been adjusted in over a decade. Medi-Cal underfunding has created a two-tiered system of care that is exacerbating health care inequities.

The \$1.5 billion relief package will be proportionally disbursed based on Medi-Cal utilization. Specifically, the methodology would allocate funding to each hospital based on its pro rata share of total Medi-Cal adjusted days. For instance, if a hospital provided 5% of the total aggregate Medi-Cal adjusted days, it would receive 5% of the total funding. By basing disbursement on Medi-Cal days (as opposed to all payer days), this methodology targets funding to hospitals that provide services to a greater number of Medi-Cal patients. Targeting the allocation of these funds based on the level of Medi-Cal services that hospitals provide recognizes and gives immediate relief to hospitals most distressed due to the state's systemic underfunding of Medi-Cal. This one-time \$1.5 billion relief package is part of a larger solution that seeks to correct the structural underfunding in the Medi-Cal system that must be resolved to create long-term for stability our state's health care system.



# Assemblymember Eduardo Garcia, 36<sup>th</sup> Assembly District

## AB 918 – Imperial Valley Healthcare District

Updated 5/04/23

### BACKGROUND

There are several significant barriers preventing Imperial County residents' access to health care providers and services. This has been well documented by numerous stakeholders in the region. Some of the barriers include:

- Shortages in the number of primary care providers
- Shortages in various medical and surgical specialties
- Excessive wait times for medical care
- A lack of urgent care services
- A lack of public transportation

Solving these persistent barriers has proven to be challenging. The number and capacity of providers have proven inadequate to meet demand. The COVID-19 pandemic has exacerbated the already existing physician shortage in rural Imperial County. Pointing to the impact and success of the expansion of the Desert Healthcare District through AB 2414 (Garcia, 2016), Imperial Valley stakeholders believe that expanding the current healthcare district through the legislative process is best route to address these persistent needs.

### ISSUE

The Imperial Valley has historically faced healthcare disparities impacting primarily low-income residents, many of whom are immigrant farmworkers. The economic hardships of the COVID-19 pandemic has exacerbated the longstanding financial and systematic conditions faced by Imperial Valley hospitals. The Imperial Valley has voiced its support for a countywide integrated healthcare entity to more efficiently advocate, address, and alleviate the various healthcare disparities that exist.

### BILL SUMMARY

AB 918 will allow the expansion of the existing Pioneers Memorial Healthcare District to include all of Imperial County. The healthcare district will be renamed to Imperial Valley Healthcare District.

Furthermore, this bill will:

- Require the healthcare district to file a resolution of application to the Imperial County Local Agency Formation Commission to initiate proceedings to expand the district.
- Require the Imperial County Board of Supervisors to place approval of district expansion on the ballot at the next countywide election following the completion of commission proceedings, including a public hearing.
- Dissolve the Heffernan Memorial Healthcare District and transfer all the assets, rights, and responsibilities of that district to the Imperial County Healthcare District.
- Require the current board to expand from five to seven members. Two members will be appointed to fill the vacant positions, provided that the two new members are residents of the newly annexed territory.
- Require the board of directors to adopt a resolution to divide the Imperial Valley Healthcare District into voting districts for the purpose of electing members of the board of directors from and by the electors of those voting districts beginning with the next district election.
- The expansion and funding for the Imperial Valley Healthcare District will have to be approved by voters in the March 2024 election.

### SUPPORT

Best STEP Forward  
City of El Centro  
Imperial County Medical Society  
Imperial Valley Equity and Justice Coalition  
Preston Hollow Community Capital  
University of California

### For More Information:

Erika Valle | Legislative Aide  
Office of Assemblymember Eduardo Garcia  
[Erika.Valle@asm.ca.gov](mailto:Erika.Valle@asm.ca.gov) | (916) 319-2036



HEFFERNAN MEMORIAL HEALTHCARE DISTRICT

May 05, 2023.

BANKS BALANCE:

CHASE BANK # 7701 Operational Acct. 632,350.97

CHASE BANK Platinum # 8565 Checking Acct. 3,635,748.71

TOTAL CHECKING ACCTS: \$ 4,268,099.68

OTHER CURRENT ASSETS:

CALEXICO MEGAPARK,LLC ( PURCHASE LAND-DEPOSIT) \$ 500,000.00

PREPARED By: Rosario Vizcarra.

05-05-2023.

Heffernan Memorial Healthcare District

**Profit & Loss**

July 1, 2022 through April 7, 2023

	<b>PROFIT &amp; LOSS</b> Jul 1, '22 - Apr 7, 23	<b>EXPENSES</b> 4/08-5/5-2023	<b>TOTAL EXPENSES</b> July 01,22-May 05,23
<b>Income</b>			
4000 · Rev Sharing - County Prop Tax	490,163.71	305,667.79	795,831.50
4010 · Rev Sharing - Pass Thru City	132,264.54		132,264.54
4200 · Other income	250.00		250.00
<b>Total Income</b>	<b>622,678.25</b>	<b>305,667.79</b>	<b>928,346.04</b>
<b>Expense</b>			
6010 · Trustee remuneration	22,750.00	2,500.00	25,250.00
6200 · Rent	1,516.00	200.00	1,716.00
6310 · Landscaping	2,715.00	200.00	2,915.00
6500 · Insurance	4,001.00		4,001.00
6600 · Legal and professional	21,004.10	4,332.51	25,336.61
6610 · Accounting - Audit	9,500.00		9,500.00
6615 · Accounting - Other	17,815.00	1,575.00	19,390.00
6650 · Administration services	82,563.91	8,400.00	90,963.91
7000 · Marketing	25,700.00	2,800.00	28,500.00
7200 · Office supplies	1,857.87	45.96	1,903.83
7201 · Leasing Offices Equipment	1,379.92	136.61	1,516.53
7210 · Janitorial supplies	61.53		61.53
7214 · Janitorial Services	4,200.00	480.00	4,680.00
7215 · Postage	77.33		77.33
7250 · Utilities			0.00
Electricity	1,393.62	80.99	
Water	3,334.17	211.72	
<b>Total 7250 · Utilities</b>	<b>4,727.79</b>		<b>5,020.50</b>
7270 · Telephone	4,880.99	403.21	5,284.20
7285 · Grants - By HMHD	464,000.00		464,000.00
7400 · Travel	6,434.82		6,434.82
7410 · Training and education	7,050.00		7,050.00
7420 · Meals	4,641.80	141.69	4,783.49
7550 · Promotion	3,022.00		3,022.00
7560 · Elections fees	21,309.90		21,309.90
7610 · Dues and subscriptions	5,250.00		5,250.00
8030 · Property tax	9,157.76		9,157.76
8200 · Bank charges	259.90	25.00	284.90
<b>Total Expense</b>	<b>725,876.62</b>	<b>21,532.69</b>	<b>747,409.31</b>
	<b>(103,198.37)</b>	<b>284,135.10</b>	<b>180,936.73</b>

Rosario Vizcarra  
 5-05-2023.

**Heffernan Memorial Healthcare District**  
**Final Budget**  
**For the Fiscal Hyear from July 01, 2023 to June 30, 2024**

Final 4-19-2023.

	<b>Budget 2023/ 2024.</b>
<b>Income</b>	
4000 · Rev Sharing - County / City	1,020,000.00
4020 · Rent Income( 400 Mary)	50,000.00
4100 · Interest income	52,000.00
4200 · Other Income	5,000.00
<b>Total Income</b>	1,127,000.00

<b>Expenses</b>	
6010 · Trustee remuneration	31,500.00
6300 · Rent	2,400.00
6300 · Repairs and maintenance	5,000.00
6310 · Landscaping	3,000.00
6500 · Insurance	4,450.00
6600 · Legal and professional	36,000.00
6610 · Accounting - Audit	12,000.00
6615 · Accounting - Other	25,000.00
6650 · Administration services	125,000.00
7000 · Marketing	35,000.00
7200 · Supplies	3,500.00
7200 · Leasing Office Equipment	1,600.00
7210 · Janitorial - Supplies	1,500.00
7215 · Janitorial - Services	6,500.00
7250 · Utilities	7,350.00
7270 · Telephone	6,500.00
7285 · Grants	25,000.00
7285 · Grants -(Scholarships 2023)	22,000.00
7400 · Travel	6,825.00
7410 · Training and education	9,500.00
7420 · Meals	6,000.00
7550 · Promotion	25,000.00
7565 · Parks	25,000.00
7610 · Dues and subscriptions	6,825.00
7800 · Mileage reimbursement	500.00
7900 · Miscellaneous	1,000.00
8030 · Property tax	10,500.00
8200 · Bank charges	350.00
<b>Total Expenses</b>	444,800.00
<b>Net Income before CO</b>	682,200.00

<b>Capital Outlays</b>	
0000 · Land	
0000 · Building	2,000,000.00
7800 · Others	
<b>Total Capital Outlays</b>	2,000,000.00

## **COST FOR TRANSMITTING BOARD MEETING LIVE**

**TRIPOD FOR VIDEO -\$261.00 PLUS TAX AND SHIPPING**

**TABLET HOLDER \$24.99 PLUS TAX**