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San Bernardino County
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SAN BERNARDINO MOUNTAINS COMMUNITY HEALTHCARE

DISTRICT

DISTRICT PROFILE SUMMARY SHEET

District Contact Person(s): Charles H. Harrison

Address: PO Box 70, Lake Arrowhead, CA 92352

E-mail Address: charles.harrison@mchcares.com

Website Address: www.mchcares.com

Date of Formation: December 1, 1967

Principal Act: Ballot Measure March 1, 1967

Improvement District(s): YES NO

If yes, please indicate name and define area of service (include map).

Governing Body: Elected Board of Directors from district at large.

Membership: Kieth Burkard

Alice Waits

David Stern

Joyce Welton

Steve Watt

Public Meetings: Monthly as scheduled, usually first Tuesday of each month.

SERVICES

Currently Authorized Powers (Services):

SERVICE	FUNCTIONS
General Hospital	Acute, Skilled Nursing, Emergency, And Outpatient Services

Latent Powers (Services) -- those services authorized by the Agency's principal act, but not activated through the LAFCO process:

SERVICE	FUNCTIONS
None	

Area Served: 65 Square Miles/ Acres

Population: 22,000 + visitors (Outline source for figure) Chamber of Commerce

Registered Voters: 10,529 As Of March 2010 (Date)

Services Provided Outside Agency Boundaries:

SERVICE	PROVIDED TO WHOM	DATE OF CONTRACT	SUNSET DATE
None			

Special charges for service outside boundaries: **N/A**

Special policies for providing service outside boundaries: **N/A**

SPHERE OF INFLUENCE

Established:

LAFCO Number	Resolution No./ Date Adopted	Location
3106	January 10, 1973	

CHANGES:

LAFCO Number	Resolution No./ Date Adopted	Type Of Change	Location
N/A			

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MUNICIPAL SERVICE REVIEW

INTRODUCTION: The following provides an outline of the mandatory determinations for a San Municipal Service review as set out in Government Code Section 56430. In addition, it provides an explanation of the purpose of the determination and the issues to be considered. While no agency will be required to respond to each of the issues identified below, this list is intended to be illustrative of the scope of issues that might be relevant to a local agency service review. Please review the list and identify those issues that are relevant to your agency and develop narrative responses to each determination.

I. Growth and Population

Purpose: To evaluate service needs based upon existing and anticipated growth patterns and population projections.

1. Population Information: **The full time population of the District is approximately 18,000 and is growing at a slow rate. The number of part time residents and visitors that use our services vary but we estimate them to add approximately 20% to the number of full time residents. We also offer full services to another 14,000 residents of an adjacent area (Crestline) which is not in our district.**
2. General Plan
 - a) Excerpts regarding existing and projected growth –N/A
 - b) Other
3. Identify Significant Growth Areas – N/A

II. Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies

Purpose: To evaluate the infrastructure needs and deficiencies of a jurisdiction in terms of capacity, condition of facility, service quality and levels of services and its relationship to present and planned capacity. (Provide copies of documents where necessary).

1. Capital Improvement Plans/Studies – None
2. Water Service Plans/Studies
 - a) Supply and demand information – N/A
3. Sewer Service Plans/Studies
 - a) Capacity and demand information – N/A
4. Age and Condition of Facilities
 - a) Water supply and distribution system: **Our facility was built in 1951 and had an addition in 2000. The water supply has been properly maintained throughout its life. In accordance with SB 499, the District is having a review of our facility performed by the California Office of Statewide Healthcare Planning and Development. Such review will determine our seismic standards and help us to plan our future capital requirements.**
 - b) Wastewater collection and treatment – N/A

5. Capacity Analysis

- a) Number of service units available – **37 beds**
- b) Number of service units currently allocated – **17 Acute & 20 Long Term Care**
- c) Total number of service units within agency boundaries - **37**
- d) Total number of service units outside agencies boundaries. Are there out-of-agency contracts? - **No** Is the out-of-agency rate different than the in-agency rate for service? – **N/A**

6. Future Development

- a) What additional infrastructure is needed? **Presuming that our SB499 analysis (see II, 4,a.) indicates that we need to replace our acute beds to ensure seismic compliance, such replacement would not be required to take place until 2015 (soonest) or 2020 to 2030 (latest).**
- b) Description of additional facilities – **Our current plan is to replace our current 17 acute beds with 17 seismically compliant new beds. Such new beds would probably attach to the current facility but would have independent power, heating and dietary capability.**
- c) How will it be funded? **We would convert the current 17 acute beds to long term care beds, thus generating an approximate additional \$2,000,000 per year in cash flow which would be used to pay for the debt necessary to construct the new acute beds.**
- d) Is there a schedule for improvement? **There is no schedule for such improvements at this time.**

7. Reserve Capacity

- a) What is the policy? **We have adequate capacity for “Surge” patient volumes.**
- b) Are there inter-ties with other agencies? **We have no formal agreements with other agencies to address under capacity**

III. **Financial ability to provide services**

Purpose: To evaluate factors that affects the financing of providing services and needed improvements. To identify practices or opportunities that may help eliminate unnecessary costs. (Provide copies of documents where necessary).

1. Finance Documents/Plans for:

- a) Two most recent adopted budgets – **FYE’s 6/30/09 and 6/30/10 attached**
- b) Two most recent completed audits – **FYE’s 6/30/08 and 6/30/09 attached**
- c) Service upgrades – **None in process**
- d) Capital improvements – **No major projects in process**

2. Bond Rating – **Not rated**

3. Revenue Sources

- a) Identify - **See II 4 above**
- b) Can they be expanded? **See II 6 above**

4. Major Expenditure Categories

a) Identify

**Major Expenditure Categories
 FYE 6/30/09**

	<u>Amount</u>	<u>% of Total</u>
Salaries	\$6,565,000	41%
Benefits	\$1,737,000	10%
Professional Fees	\$1,765,000	11%
Supplies	\$1,910,000	12%
Depreciation	\$1,160,000	7%
Purchased Svcs	\$ 911,000	6%
Repairs and Maintenance	\$ 412,000	3%
Insurance	\$ 374,000	2%
Utilities	\$ 363,000	2%
Rent	\$ 352,000	2%
Other	\$ 599,000	4%
	<u>\$16,149,000</u>	<u>100%</u>

b) What methods are used to control costs? **Strict managerial and Board oversight of revenue and expenses.**

5. Joint Financing Projects

- a) Does agency participate? If so, what are they? – **None**
- b) What are the policies? – **None**
- c) Please provide a copy of the agreement. – **None**

6. Overlapping/Duplicative Services – **None**

7. Rely on Other Agencies

- a) Administrative functions – **None**
- b) Grant management – **MCH Foundation**
- c) In-house cost vs. outside cost – **N/A**

8. Per-Unit Service Costs

- a) **The following is our cost of care for major classes of patient care:**
 Average Acute day of care - **\$1,509**
 Average Skilled Nursing Facility day of care - **\$360**
 Relationship of cost to charges for ancillary services – **50%**
- b) **The cost of care at a nearby Rural Hospital is:**
 Acute - \$~~██████~~ – **1347**
 Skilled Nursing Facility - \$~~██████~~ – **380**

9. Our rates are set with the following payment methodology in mind:

- a) **Medicare pays us cost plus one percent**
- b) **Medical pays as cost for inpatients, and scheduled amount (1/3 to 1/2 of cost) for out patients**

- c) **Most insurance companies pay us on a “per deim” basis i.e. a set amount per day no matter what services the patient had.**
- d) **Some insurance companies pay us a percent of charges**

We compare our rates to neighboring hospitals and believe that we price our services fairly.

IV. Status of and opportunities for shared facilities

Purpose: To evaluate the opportunities for a jurisdiction to share facilities and resources to develop more efficient service delivery systems.

- 1. Shared Facilities
 - a) Existing – flood, parks, groundwater storage, etc. – **None**
 - b) Future opportunities/options – **None**
- 2. Duplication of Facilities
 - a) Existing duplication? – **None**
 - b) Planned/future duplication? – **None**
 - c) Excess capacity available to outside customers? – **N/A**
 - d) Productivity ratings, if any, for staff

	<u>MCH</u>	<u>CA</u>	<u>US</u>
Salaries/total exp.	41	42	44

V. Accountability for community service needs, including governmental structure and operational efficiencies

Purpose: To evaluate the accessibility and levels of public participation associated within the agency’s decision-making and management processes, to consider the advantages and disadvantages of various government structures to provide public services, and to evaluate whether organizational changes to governmental structure can be made to improve the quality of public services in comparison to cost.

- 1. **Budget: The budget is prepared on an annual basis, reviewed and approved by the Board in a public meeting. Policies are in place for payment of benefits, and education of Board members. The financial status is reviewed annually by an independent CPA firm. This audit is presented to management and the Board at a public meeting.**
- 2. **Governing Body: the 5-member Board, each representing the entire District, is elected. Members serve staggered two year terms, so there is an election every year. The Board meets on a monthly basis, but is often dark in December. Additional meetings are occasionally held to address time sensitive issues between regular meetings. All meeting are held in strict accordance with the Brown Act.**
- 3. **Level of Service: There is a ballot measure every four years that acts as a reaffirmation of the hospital tax. While only 50% support is needed, 75%-80% is the usual vote supporting the hospital tax. All patients that use the hospital are provided with a survey instrument to provide feedback on their level of satisfaction. In addition there is a formal complaint review and tracking system in place.**

4. **Customer/Community Access: The hospital is a 24/7 operation. The most important service being the Emergency Department. The hospital has a website (www.mchcares.com) and publishes regular newsletters and weekly health related information in the local newspaper.**
5. **Regular Progress Reports: As stated earlier the budget is developed and approved at public meetings. Likewise the monthly performance as compared to budget is reviewed at public meetings. Other operational issues are also discussed at the monthly public Board meetings.**
6. **Does the agency recommend any government structure options: Status Quo**
7. **Does the agency have strategies or policies for future service delivery: No significant strategies or policies are in place. However as part of the preparation for maintaining seismic compliance a significant long term planning effort will be conducted that will include input from all stakeholders. It is interesting to note that a significant part of our service area is not in our District, but we have no plans for annexation.**
8. **Operational Efficiencies: We have no Joint Powers agreements. We are budgeted for 130 Full Time Equivalent (FTE) staffing (excluding vacation). Our % of salary expense to total expense is 41% which is lower than the California and US average. We have a computerized patient/intermediary billing system, management information system, and are completing implementation of a clinical documentation system (electronic medical record).**

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MANDATORY FIVE YEAR SPHERE OF INFLUENCE UPDATE

INTRODUCTION: The questions on this form are designed to obtain data about the entity's existing sphere of influence to allow the Commission and its staff to begin to assess the mandated sphere update process. You are encouraged to include any additional information that you believe is pertinent to the process. Use additional sheets where necessary and/or include any relevant documents.

1. NAME OF AGENCY: SAN BERNARDINO MOUNTAINS COMMUNITY HEALTHCARE DISTRICT

2. Provide an identification of the entities that provide service to your agency. Please indicate whether they are public or private entities and include subsidiary districts in this description. Please include a description of City or District-governed agencies (i.e., redevelopment agency, development corporations, joint powers authorities, improvement districts, etc.):

NONE

3. Provide a narrative description of anticipated alterations in the agency's current sphere of influence that should be considered in this review. This identification should include any potential development that would require a sphere of influence amendment for implementation, etc. (If additional room for response is necessary, please attach additional sheets to this form.)

NONE

4. **CITIES:** Provide an outline of negotiations with the County of San Bernardino related to any sphere change anticipated. Please include an outline of agreements on boundaries, development standards, zoning requirements, if any. This is required pursuant to Government Code Section 56425(b).

N/A

5. **CITIES:** Provide an outline of the dates for adoption and plans for update, if any, for:

General Plan N/A

Elements if adopted separately

NAME

DATE OF ADOPTION/UPDATE PLANS

6. **CITIES/SPECIAL DISTRICTS:** For the services provided by the agency identify the appropriate document below and provide an outline of the date of adoption, schedule for update, copy of the document and copy of environmental document, if applicable:

Master Plan for Water Utility	<u>N/A</u>
Master Plan for Sewer Utility	<u>N/A</u>
Master Plan for Fire Service	<u>N/A</u>
Master Plan for Park Service	<u>N/A</u>
Urban Water Management Plan	<u>N/A</u>
(with copy of certification from Department of Water Resources)	
Other (Please name):	
_____	<u>N/A</u>
_____	_____
_____	_____

7. **SPECIAL DISTRICTS:** Provide an outline of the following items related to the services provided by the District. This response is specifically required by Government Code Section 56425(i) et seq.

a) Provide a written statement specifying the functions and/or classes of service provided by your District.

General Acute Care Critical Access Hospital – 17 beds
Distinct Part Skilled Nursing Facility – 20 beds
24/7 Emergency Room
Inpatient/Outpatient diagnostic services – Radiology
Laboratory, Physical Therapy, and Cardiology
Rural Health Clinics – Lake Arrowhead; Running Springs

b) Provide a written description of the nature, location and extent of the functions and/or classes of service outlined above. Where the service area is less than the boundaries of the District provide a map depiction of the location.

See Attached Map. Hospital and one Rural Health Clinic at East end of Lake Arrowhead. One Rural Health Clinic in Running Springs

c) Provide a brief outline of master plans adopted for each of the services listed above including a summary of their findings and the date of their adoption. If master plans are required to be filed with a County, State or Federal agency please note the date of their acceptance. Provide a copy of the master plans with this document if not previously provided to the LAFCO staff office including a copy of the environmental determination associated with the document.

None developed or adopted.

8. Provide a response to the four factors outlined in Government Code Section 56425 required for a sphere of influence review outlined as follows:

a) The present and planned land uses in the area, including agricultural and open-space lands.

No significant change to the use of land in the District is anticipated

b) The present and probable need for public facilities and services in the area.

No significant change in services rendered by the District is anticipated

c) The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

Current capacity is adequate

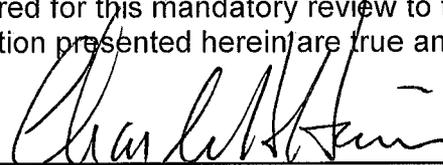
d) The existence of any social or economic communities of interest in the area.

None

CERTIFICATION

I hereby certify that the statements furnished above and in the attached supplements, exhibits, and documents present the date and information required for this mandatory review to the best of my ability, and that the facts, statements, and information presented herein are true and correct to the best of my knowledge and belief.

DATE: **March 15, 2010**



Signature of Official

Charles H. Harrison

Printed Name

Chief Executive Officer

Title