

# ***10. EASTERN PLUMAS HEALTHCARE DISTRICT***

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Eastern Plumas Healthcare District (EPHD) is a small, non-profit, critical access hospital district, providing comprehensive medical services in eastern Plumas County through a hospital and five clinics. This is the first Municipal Service Review for the District.

## **AGENCY OVERVIEW**

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### **Background**

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EPHD was formed in 1964 as an independent special district.<sup>164</sup> The District was formed to provide local health care and emergency medical services to residents in eastern Plumas County.

The principal act that governs the District is the Local Health Care District Law.<sup>165</sup> The principal act empowers healthcare districts to provide medical services, emergency medical, ambulance, and any other services relating to the protection of residents' health and lives.<sup>166</sup> Districts must apply and obtain LAFCo approval to exercise services authorized by the principal act but not already provided (i.e., latent powers) by the district at the end of 2000.

### ***Boundaries***

EPHD is located in the eastern part of Plumas County, in the high Sierra Mountains. The EPHD boundary is entirely within Plumas County, and includes the City of Portola and the communities of Graeagle, Beckwourth, Vinton, and Chilcoot, among others. The District's boundaries extend to the Lassen County line in the northeast and east, and to the Sierra County line in the south. The District's boundaries encompass approximately 545,443 acres or 852 square miles.<sup>167</sup>

There have been no annexations to or detachments from EPHD since its formation.

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<sup>164</sup> Plumas Board of Supervisors, Resolution No. 1499.

<sup>165</sup> Health and Safety Code §32000-32492.

<sup>166</sup> Health and Safety Code §32121(j).

<sup>167</sup> Total agency area calculated in GIS software based on agency boundaries as of July 1, 2011. The data is not considered survey quality.

### Sphere of Influence

The District's SOI is coterminous with its boundaries. The SOI was originally adopted in 1976,<sup>168</sup> with no updates or amendments since that time.

### Extra-territorial Services

The District provides services outside of its boundaries at a clinic in Loyalton through an "out-of-area service agreement" (OASA) with Sierra Valley Healthcare District (SVHD). Also, the District is running Indian Valley Health Clinic for Indian Valley Healthcare District (IVHD) through an OASA. Both SVHD and IVHD are currently in financial distress. SVHD filed for Chapter 9 bankruptcy on June 28, 2002, and EPHD began services to SVHD in November 2003.<sup>169</sup> IVHD also filed for Chapter 9 bankruptcy in November 2004, and had severe challenges with cash flows prior to closing the clinic in 2006. EPHD began providing services to Indian Valley Medical Clinic began in November 2007.<sup>170 171</sup>

The District reported that there is a potential to consolidate with Sierra Valley Healthcare District (in Sierra County). SVHD desires to consolidate with EPHD due to its recent bankruptcy. EPHD plans to convene a study group to assess pros and cons of consolidating with SVHD. EPHD reported that it is not considering consolidation with Indian Valley Healthcare District, as EPHD would like to return all services to IVHD in the future.

The District provides services to residents and non-residents alike. The District does not have separate fees based on residency. No proof of residency is required for hospitals and clinics within EPHD.

### Areas of Interest

With the exception of the potential for consolidation with Sierra Valley Healthcare District mentioned above, the District did not identify any other areas of interest.

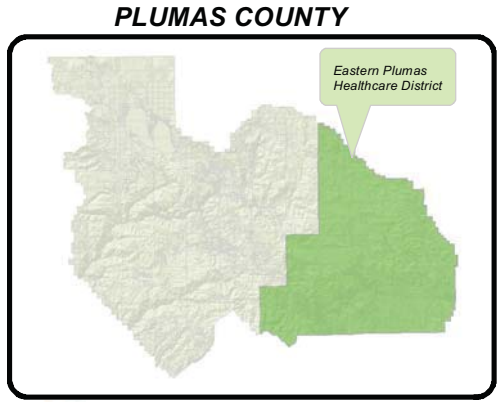
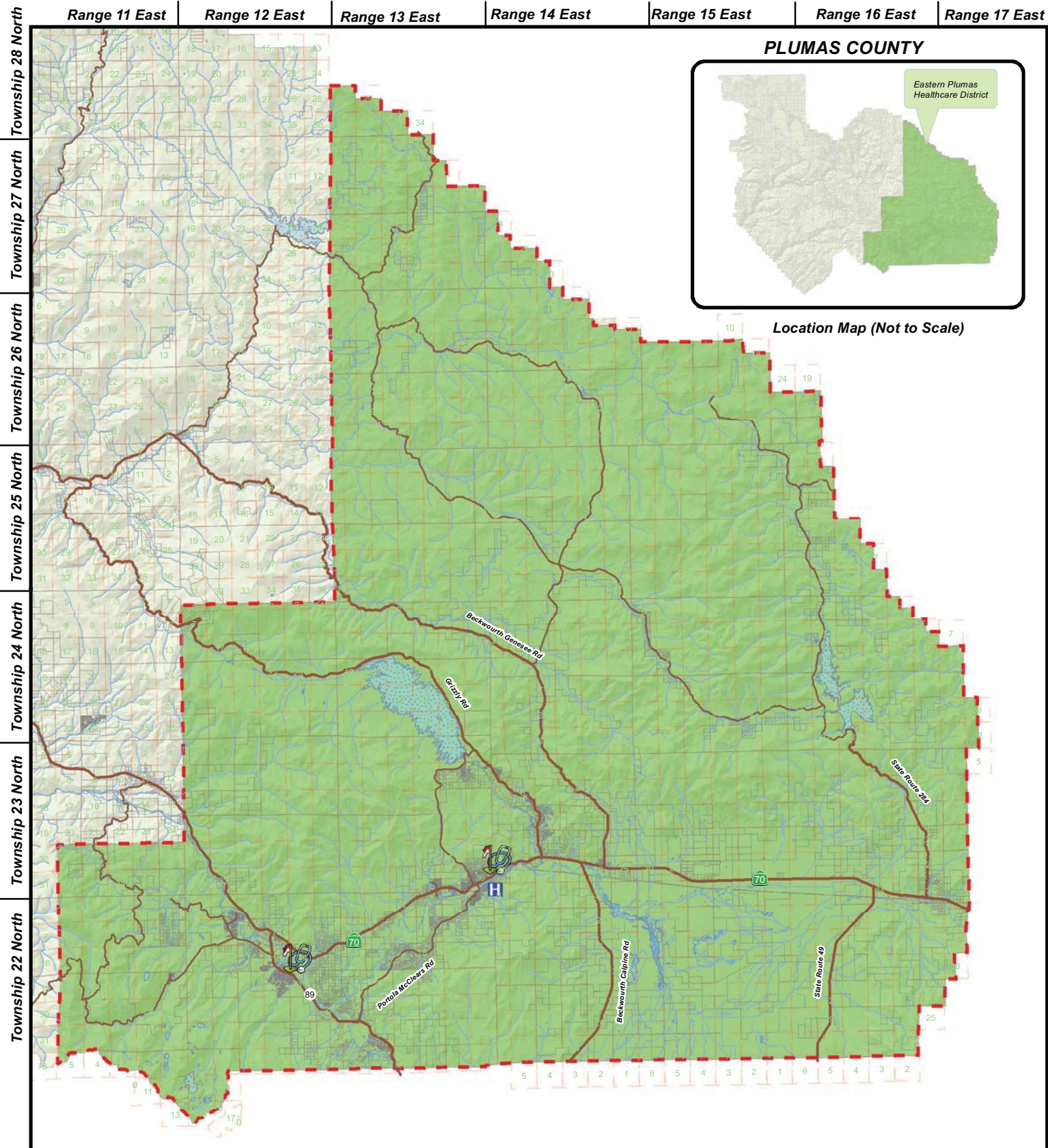
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<sup>168</sup> Plumas LAFCo Resolution No. 76-08.

<sup>169</sup> Sierra County, *Grand Jury Report 2008-2009*.

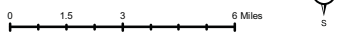
<sup>170</sup> Plumas County News, *Directors consider selling Indian Valley hospital*, June 17, 2010.

<sup>171</sup> Sierra Institute for Community and Environment/Plumas County Public Health Agency. *Re-visioning Rural Healthcare Service Delivery and Addressing the Needs of the Underserved in Plumas County*, May 2008, 2.



**Legend**

- CA State Highway
- Eastern Plumas Healthcare District (SOI)
- Eastern Plumas Healthcare District
- Major Roads
- Waterbodies
- Sectional Grid (MDB&M)
- Stream / River
- Eastern Plumas District Hospital
- Clinics
- Parcels



Eastern Plumas Healthcare District  
 Resolution: 1499  
 Adopted: 12/7/1964

Eastern Plumas Healthcare District (SOI)  
 Resolution: 76-08  
 Adopted:

Source: Plumas LAFCo Map Created 5/1/2011

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## Accountability and Governance

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The principal act orders that the governing body of a healthcare district must have five members. Directors may be appointed or elected, pending circumstances.<sup>172</sup> EPHD is governed by a five-member Board of Directors who are elected to staggered four-year terms. The board members were elected at large, and there are currently no vacancies. There has never been a contested election. Current board member names, positions, and term expiration dates are shown in Figure 10-2.

The Board meets once a month on the fourth Thursday (except November and December) at the Portola Education Center. Board meeting agendas are posted at the post office, at the District’s clinics and on the website. Minutes of board meetings are passed out at subsequent meetings after approval by the administrative office. The District has upcoming and past agendas and board meeting minutes available on its website.

**Figure 10-2: Eastern Plumas Healthcare District Governing Body**

<b>Eastern Plumas Healthcare District</b>				
<i><b>District Contact Information</b></i>				
<b>Contact:</b>	Jeri Nelson, Chief Financial Officer			
<b>Address:</b>	500 First Ave., Portola, CA 96122			
<b>Telephone:</b>	(530) 832-6500			
<b>Email/website:</b>	<a href="http://www.ephc.org">www.ephc.org</a>			
<i><b>Board of Directors</b></i>				
Member Name	Position	Term Expiration	Manner of Selection	Length of Term
Gail McGrath	Chairman	December 2014	Elected	4 years
Larry Fites	Vice-Chairman	December 2016	Elected	4 years
Lucy Kreth	Secretary	December 2014	Elected	4 years
Janie McBride	Director	December 2014	Elected	4 years
Jay Skutt	Director	December 2014	Elected	4 years
<i><b>Meetings</b></i>				
<b>Date:</b>	Fourth Thursday of every month, except November - December			
<b>Location:</b>	Portola Education Center			
<b>Agenda Distribution:</b>	Posted at the post office, clinics, and on the website.			
<b>Minutes Distribution:</b>	Distributed at meetings after approval, and posted on website.			

In addition to the required agendas and minutes, EPHD does public outreach through presence at fairs, charity events, and through advisory groups. The EPHD also maintains a website and newspaper space, as well as social networking site accounts such as Facebook and Twitter.

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<sup>172</sup> Health and Safety Code §32100.

If a customer is dissatisfied with the District's services, complaints may be submitted to the District or reported directly to the State. Complaints are also submitted on patient satisfaction forms. There is one staff member who is responsible for financial inquiries. EPHD's complaints are mostly related to bills and timing. Patient complaints are reviewed every Wednesday. If the complaints have merit, then the Utilization Committee will review them with other healthcare providers through a "peer review" process.

EPHD demonstrated accountability and transparency in its disclosure of information and cooperation with Plumas LAFCO. The District participated in an interview and cooperated with the document requests.

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## Planning and Management Practices

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The District is one of the largest employers in the County with 235 employees or approximately 195 full-time equivalents. The District contracts for services with physicians, speech therapists, occupational therapists, physical therapists, and for snow removal, among others. There are six main departments: Financial Services, Human Resources, Hospital Operations, IT Management, Plant Operations, and Outpatient Clinics. The heads of these departments report to the CEO, who in turn reports to the Board of Directors.

The agency performs staff evaluations annually. Each department head conducts the evaluations for employees within the relevant department, and the Human Resources Department reviews the evaluations after a 525-hour probation period. The Agency is implementing a biometric system that uses fingerprints to track employee log-in and log-out times. Timesheets are broken down by department.

The District evaluates its own performance during monthly management and staff meetings, and assesses preparedness during emergency drills. EPHD performance is also gauged by benchmarking with other providers on the Office of Statewide Health Planning and Development (OSHPD) website.

With regard to financial planning, the District adopts an annual budget; financial statements are audited by an independent auditor annually. A monthly financial report is submitted to the Board and department heads. Capital improvements are planned for on an annual basis during each budget process.

The District's planning efforts include an operations plan. In the 2010-2011 Operations Plan, EPHD planned for facility needs and set goals related to financing, quality, community outreach, operations, and all clinics. The 2010-2011 Operations Plan indicates that a strategic plan will be developed for EPHD.

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## Existing Demand and Growth Projections

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Designated land uses within the District are primarily agricultural and wildland, with some residential, suburban and recreational uses around the City of Portola and the

communities of Chilcoot, Beckwourth, Lake Davis, Delleker, Iron Horse, Whitehawk Ranch, Valley Ranch, Clio, Mohawk Vista, C-Road, Blairsden, Graeagle, Johnsville and Plumas Eureka.<sup>173</sup> The total boundary area of EPHD is approximately 852 square miles.

### Population

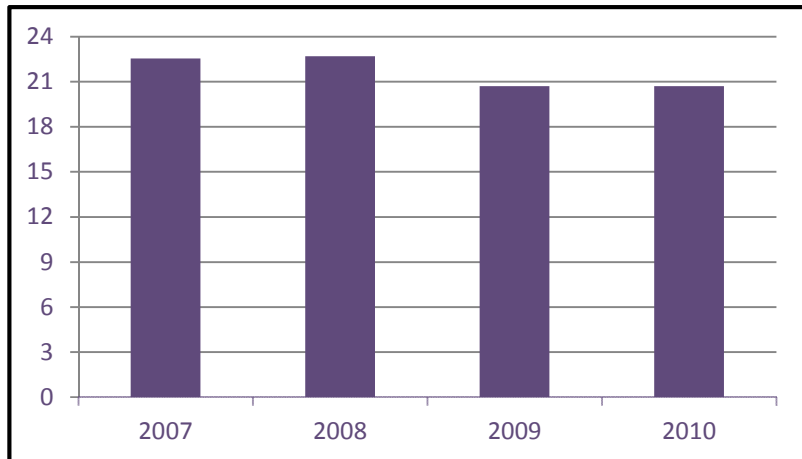
There are approximately 6,239 residents within the District, based on census tract population in the 2000 census.<sup>174</sup> Population information at the census tract level was not yet available for the 2010 census, as of the drafting of this report; however, based on the lack of growth experienced throughout the County over the last decade, and in some cases population decline, it can be assumed that the approximate population has not changed much since 2000.

### Existing Demand

The District reported that from 2005 to 2008 service demand was on the rise, but in 2009 and 2010, service demand in basic healthcare and preventative treatment slightly declined. It was reported at the end of 2010 demand was starting to pick up again.

**Figure 10-3: Total Patient Days, in Thousands (2007 - 2010)**

The District's number of total patient days was 20,694 in 2010,<sup>175</sup> which equates to an estimated population served of about 673 patients.<sup>176</sup> The estimated population served by EPHD in 2010 was approximately 40 percent more than the estimated population served by EPHD in 2009, meaning that more individual patients were served 2010. While there were only four less total patient days in 2009 than in 2010, the average length of stay was longer in 2009 than it was in 2010. There were less patient days in 2009 than in 2010 for all types of care except for skilled nursing.



<sup>173</sup> Plumas County Parcel Application.

<sup>174</sup> Census Tracts 3 and 2.01 in Plumas County and Table DP-1 for Portola city, California.

<sup>175</sup> EPHD, *Comprehensive Audited Financial Statement*, September 10, 2010, p. 4.

<sup>176</sup> Author's estimate based on average lengths of stay in days per type of care.

### Projected Growth and Development

No formal population projections have been made by the District.

The State Department of Finance (DOF) projects that the population of Plumas County will grow by five percent in the next 10 years. Thus, the average annual population growth in the County is anticipated to be approximately 0.5 percent. Based on these projections, the District's population would increase from 6,239 in 2010 to approximately 6,551 in 2020. It is anticipated that demand for service within the District will increase minimally based on the DOF population growth projections through 2020.

There are several potential developments throughout the District that may lead to significant population growth in the future. Based on reports from the County, there is one development that has been approved but is currently on hold due to financial constraints. The development consists of 99 lots and is located in Graeagle. According to other districts there are a number of other potential developments: one small 21-home development within Sierra Valley FPD, three areas in Whitehawk Ranch that will add over 40 dwellings, Village of Plumas Pines in Plumas-Eureka, empty lots throughout the Gold Mountain subdivision, and Willow Creek development located three and a half miles west of Delleker that would consist of 210 residential units. Due to the unpredictable nature of the existing economy and housing market, these areas will likely not be developed within the short-term; however, they may be indicative of the long-term potential for growth. Additionally, there are three planned developments within the Portola city limits, which have the potential to add an additional 1,220 dwelling units, or approximately 2,440 additional residents to the District.

The District appears to have the capacity to serve existing and near-term growth areas, but will need to address the challenge of hiring appropriate physicians and maintaining sufficient physician staffing levels.

### Growth Strategies

The District is not a land use authority, and does not hold primary responsibility for implementing growth strategies. The land use authority for unincorporated areas is the County. The District does not take part in reviewing plans for proposed developments.

With regard to future growth opportunities, EPHD identified the potential to consolidate with Sierra Valley Healthcare District as previously mentioned in the Background Section of this chapter.

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## Financing

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While the District has historically had financial challenges resulting in bankruptcy in the late 90's, the District has been able to resurrect itself by coming out of bankruptcy in 2004, and presently reports that current financing levels are adequate to deliver services. While financing levels appear to be adequate, the District faces the challenge of meeting mounting requirements and standards with decreased revenue. Declining revenues are the

result of 1) a reduction in property tax income, 2) a decline in clients during the recent recession, and 3) an increase in unpaid medical bills, which have increased from four to six percent of billings. As a result of these revenue reductions, the District has been forced to downsize and discontinue obstetrician services to stay within its means.

Rates charged to patients for services the District's primary income. The District's rates are determined based on competitive rates and need. The District also has "charity care," or a sliding scale for fees based on income. The District's total revenues for FY 09-10 were approximately \$24.7 million.<sup>177</sup> Revenue sources include patient service revenue (95 percent), property taxes (two percent), other operating and non-operating revenue (two percent), and grants and contributions (one percent).

**Figure 10-4: EPHD Revenues and Expenditures (FYs 10 & 11)**

<i>Income/Expenses</i>	<i>FY 09-10 Actual</i>		<i>FY 10-11 Budgeted</i>	
<b><i>Income</i></b>				
Property Taxes	\$590,333	2%	\$590,000	2%
Other Operating Revenue	\$136,290	1%	\$94,000	0%
Other Non-operating Revenue	\$238,970	1%	\$895,960	4%
Charges for Services	\$23,584,228	95%	\$21,962,429	93%
Contributions and grants	\$211,296	1%	\$100,000	0%
<b><i>Total Income</i></b>	<b><i>\$24,761,117</i></b>	<b><i>100%</i></b>	<b><i>\$23,642,389</i></b>	<b><i>100%</i></b>
<b><i>Expenses</i></b>				
Salaries & Benefits	\$12,392,754	52%	\$12,944,050	59%
Services & Supplies	\$7,743,652	32%	\$7,418,562	34%
Other charges	\$2,651,932	11%	\$297,717	1%
Depreciation	\$785,801	3%	\$900,830	4%
Interest	\$431,342	2%	\$396,000	2%
<b><i>Total Expense</i></b>	<b><i>\$24,005,481</i></b>	<b><i>100%</i></b>	<b><i>\$21,957,159</i></b>	<b><i>100%</i></b>
<b><i>Net Income</i></b>	<b><i>\$755,636</i></b>		<b><i>\$1,685,230</i></b>	

The District's operating expenses in FY 09-10 were about \$24 million.<sup>178</sup> Expenditures were composed of employee compensation (52 percent), and services and supplies (32 percent). Debt repayments were approximately 10 percent of the total expenditures. The District's capital expenses (rental and leases) in FY 09-10 were \$89,299.

The District's operating expenses amounted to \$1,160 per patient day, or \$35,669 per patient.

With regard to capital financing, the District strives to finance its capital improvements through USDA loans, auxiliary donations, grants, and operating capital, as well as other unidentified sources. The District adequately covers depreciation of capital assets as part of

<sup>177</sup> EPHD, *Comprehensive Audited Financial Statement*, September 10, 2010, p. 8.

<sup>178</sup> EPHD, *Comprehensive Audited Financial Statement*, September 10, 2010, p. 8.



its budgeted capital expenditures. The District conducts capital improvement planning in the annual budget.

The District had long-term debt of \$6.6 million as of the end of FY 09-10. The debt consisted of notes payable and capital lease obligations, the details for which are shown in Figure 10-5.

**Figure 10-5: EPHD Loans and Leases**

<i>Payee</i>	<i>Purpose</i>	<i>Balance June 30, 2010</i>	<i>Monthly Payment</i>	<i>Maturity Date</i>
<b>Loans</b>				
Plumas Bank	SVDH Purchases	\$526,263.59	\$3,708.45	11/15/2033
CHFFA-Ca Health Facilities	EMR & Endo Equip	\$290,119.99	\$6,828.10	3/1/2014
Western Tile Company	Evergreen Note Services	\$387,740.25	\$5,211.66	11/29/2013
USDA #1	Unknown	\$3,431,146.35	\$20,787.00	12/21/2031
USDA #2	Unknown	\$418,432.51	\$2,535.00	12/21/2031
USDA #3	Unknown	\$167,716.27	\$4,613.00	9/25/2013
USDA #5	Loyalton/Portola Equipment	\$369,396.47	\$8,248.00	7/14/2014
USDA #6	Improvements/Defeasance	\$806,669.00	\$15,285.00	11/3/2015
<b>Total</b>		<b>\$6,397,484.43</b>	<b>\$67,216.21</b>	
<b>Leases</b>				
Philips Medical Capital	PCR Compano Basic Unit	\$8,965.75	\$1,515.87	12/1/2010
Philips Medical Capital	Bucky Diagnostic	\$10,264.54	\$1,735.46	12/1/2010
Philips Medical Capital	GE Ultraound	\$14,799.73	\$1,514.10	12/1/2010
Philips Medical Capital	Surgery C Arm	\$1,771.91	\$181.25	4/15/2011
Philips Medical Capital	CT Modular Suite	\$60,809.45	\$4,192.32	9/15/2011
Philips Medical Capital	CT Scanner	\$109,517.85	\$9,521.67	6/1/2011
Philips Medical Capital	CT Foundation	\$17,973.49	\$1,854.13	4/1/2011
Philips Medical Capital	Dry View Laser Imager	\$2,754.72	\$465.75	12/1/2010
Beckman Coulter	ACL 7000	\$2,639.51	\$273.88	4/29/2011
West America Bank	Canon Copiers	\$9,046.42	\$917.62	4/13/2011
<b>Total</b>		<b>\$238,543.37</b>	<b>\$22,172.05</b>	

The District currently does not have a reserve policy, but has a goal to maintain 180 days of operating revenue. At the end of FY 09-10, the District had an unrestricted net asset balance of \$1.9 million, or approximately one month in operating expenditures.

The District participates in several joint power authorities (JPAs), including a JPA for worker's compensation, the Association of California Healthcare Districts (ACHD), and CHR Optima for insurance.

## HEALTHCARE SERVICES

### Service Overview

EPHD runs a hospital with two campuses, and five clinics. Hospital services provided include emergency and ambulance services, full service laboratories, diagnostic imaging (with the exception of MRIs), respiratory therapy, inpatient and outpatient surgery, and outpatient therapy such as endoscopies. Clinic services provided include dental, medical, nutrition, gastroenterology, pediatrics, chiropractics, orthopedics, podiatry, cardiology,

gynecology, internal medicine, family practice, occupational testing, and occupational medicine. The District also provides durable medical equipment (DME) and home oxygen services.

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## Staffing

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EPHD has four family nurse practitioners and 21 doctors that provide services directly to patients. There are 16 general practice physicians, and five physicians with specialties—one in dentistry, two in chiropratics, one in obstetrics, and two in podiatry.

All doctors, nurses, and practitioners are expected to have appropriate certifications, and licenses as mandated by law in order to practice in EPHD, or oversee hospitals and clinics. EPHD partners with Feather River College (FRC) to provide clinical education training in FRC's Vocational Nursing Program.

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## Facilities and Capacity

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The District operates the following health care facilities: Eastern Plumas Hospital, Portola Dental Clinic, Portola Medical Clinic, Graeagle Medical Clinic, Loyalton Medical Clinic, and Indian Valley Medical Clinic. EPHD owns Eastern Plumas Hospital, Portola Dental Clinic and Portola Medical Clinic; Sierra Valley Healthcare District owns Loyalton Medical Clinic; and Indian Valley Healthcare District owns Indian Valley Medical.

The Eastern Plumas Hospital has two campuses, one in Portola and one in Loyalton. Each campus provides basic inpatient services. The Loyalton campus has 39 long-term beds available, while the Portola campus has 27 long-term beds and nine acute beds available. There is always an on-call doctor available for emergencies. Hospital services available at the Portola campus include regional ambulance services, a 24-hour emergency room, a full service laboratory, diagnostic imaging (x-ray, ultrasound, CT, and mammogram), respiratory therapy, scheduled inpatient and outpatient surgery, outpatient procedures, skilled nursing, surgical ward, and keeping of medical records. Hospital services available at the Loyalton campus include skilled nursing and keeping of medical records.

Loyalton Medical Clinic provides family practice, pediatrics, nutrition counseling, and podiatry. This clinic is operated by EPHD through an OASA with Sierra Valley Healthcare District.

Portola Medical Clinic provides family practice, gastroenterology, general surgery, nutrition, orthopedic surgery, podiatric surgery, internal medicine, genecology, pediatrics, OB/GYN, pediatrics, and podiatry.

Portola Dental Clinic provides dental services.

Graeagle Medical Clinic provides family practice, cardiology, chiropractics, gynecology, nutrition counseling, occupational medicine, orthopedic medicine, and podiatry. The Graeagle clinic facility is leased from Graeagle Land and Water.

Indian Valley Medical Clinic provides family practice, chiropractic, general surgery, orthopedics, and podiatry. This building is rented from IVHD. This facility is outside of EPHD bounds (as part of the Indian Valley Healthcare District), but is currently under EPHD management as of 2007.

All facilities were reported to be in good condition, but require work and need to be updated. District's facilities appear to have sufficient capacity to meet needs; however, capacity to serve demand is constrained by the District's ability to hire and retain adequate physician staffing levels.

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## Infrastructure Needs

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The District's facilities are in need of remodeling. The building which houses the boilers and the boilers themselves are planned to be replaced, if grant funds become available, by 2013. The District has made plans for this capital improvement in its capital budget.

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## Challenges

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The District reported the following challenges to providing adequate services:

- ❖ There are mounting requirements and standards to meet with decreased revenues;
- ❖ Reduced revenues have forced the District to cutback service levels, such as discontinuing OB services; and
- ❖ Hiring and retaining sufficient physician staffing levels.

At the end of 2010, the District started formulating a strategic plan. As part of the plan, the District is reviewing opportunities to introduce traveling physicians for specialties, such as endoscopy and plastic surgery. EPHD is also currently undertaking a large electronic records project to digitize records and reduce duplication of efforts.

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## Service Adequacy

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There are several benchmarks that may define the level of healthcare service provided by an agency, such as complaints, patient outcomes, occupancy rates, staffing levels, costs, emergency room closures and workload, operating room use and the extent to which residents go to other hospitals for service. Complaints, costs and staffing levels were discussed in the previous sections of this chapter. Indicators of service adequacy discussed here include 1) treatment response rates to heart attacks and pneumonia, 2) hospital occupancy rate, 3) pneumonia mortality rates, 4) mortality rates related to other

conditions, 5) EMS ambulance diversion rates, 6) operating room use, 7) the extent to which residents go to other hospitals for service, and 8) accreditation information. These indicators for measuring service adequacy are established by the Center for Medicare and Medicaid Studies (CMS)<sup>179</sup> and Office of Statewide Health Planning and Development (OSHPD).

Although this data is not available specifically for EPHD or even for Plumas County, it is important to discuss Prevention Quality Indicators (PQIs).<sup>180</sup> Due to small population sizes, twenty-four counties were reported using seven groupings of two to five counties each. Groups were used because the count of selected hospitalizations in some counties was too small for meaningful analysis. Plumas County was grouped together with Lassen, Modoc, Sierra, and Nevada into the Northeastern Group. This group had California's best (lowest) rates for PQIs, suggesting that residents there have the best access to outpatient care. When a person receives early and proper treatment for specific medical conditions, disease complications may be reduced or eliminated, disease progression may be slowed, and hospitalization may be prevented.

Community-acquired pneumonia is one of the leading causes of death both nationwide and in California. For this reason, OSHPD chose it to be one of the conditions studied in the California Hospital Outcomes Program (CHOP), an initiative mandated by the State of California. The latest reports available are for 2002-2004. In 2004, EPHD had similar community-acquired pneumonia mortality rates to the State average. Rates for Plumas Healthcare District and Seneca Healthcare District in Plumas County were lower than the State average.

Inpatient Mortality Indicators (IMIs) for EPHD are available for acute myocardial infarction, congestive heart failure, gastro-intestinal hemorrhage and pneumonia for 2009.<sup>181</sup> Evidence suggests that high mortality may be associated with deficiencies in the quality of hospital care provided. The IMIs are part of a suite of measures called Inpatient Quality Indicators (IQIs), developed by the Federal Agency for Healthcare Research and Quality (AHRQ), that provide a perspective on hospital quality of care. IMIs are calculated using patient data reported to OSHPD by all California-licensed hospitals. All IMIs include risk-adjustment, a process that takes into account patients' pre-existing health problems to "level the playing field" and allow fair comparisons among hospitals. The District's mortality rates in 2009 for myocardial infarction were 30 percent compared to seven percent statewide; 16 percent for congestive heart failure compared to three percent

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<sup>179</sup> EPHD website, "Quality Measures" document

<sup>180</sup> The Prevention Quality Indicators (PQIs) are a set of measures that can be used with hospital inpatient discharge data to identify quality of care for "ambulatory care sensitive conditions" in adult populations. These are conditions for which good outpatient care can potentially prevent the need for hospitalization or for which early intervention can prevent complications or more severe disease. The Prevention Quality Indicators represent hospital admission rates for the following 14 ambulatory care sensitive conditions.

<sup>181</sup> OSHPD did not report mortality rates for other conditions (esophageal resection, pancreatic resection, abdominal aortic aneurism repair, craniotomy, percutaneous transluminal coronary angioplasty, carotid endarterectomy, acute stroke, and hip fracture) for the District because fewer than three procedures were performed or conditions were treated.

statewide, zero for gastro-intestinal hemorrhage compared to two percent statewide, and five percent for pneumonia compared to 4.6 percent statewide. The District's mortality rate for congestive heart failure is significantly higher than statewide. EPHD is considered not significantly different from the statewide average for the other Inpatient Mortality Indicators.

In cases of heart attacks, the District's goal is to have 100 percent of heart pain or heart attack patients receive aspirin on arrival. During the calendar year beginning in July 2010, EPHD has met its goal every month.

In cases of pneumonia, the goal is to have 100 percent of patients receive antibiotics within six hours of arrival. During the calendar year beginning in July 2010, EPHD has met its goal every month.

The District's hospitals had an occupancy rate of 77.5 percent in 2010, compared to a statewide average of 71 percent.<sup>182</sup> This occupancy rate suggests that service adequacy is satisfactory, and there are enough hospital beds in the area to serve patients as needed.

Emergency room closure data was not available for the recent years. The last year when this information was reported was 2007. The EPHD was closed for a total of zero hours during that year. For 2010, in lieu of emergency closure rates, EMS ambulance diversion rates were used as an indicator for emergency room use. In 2010, ambulances were not diverted to other hospitals from EPHD.

The operating room at the EPHD hospital in Portola was used for surgeries approximately one percent of the available time in 2010.<sup>183</sup> The operating room was used about equally for inpatient and outpatient surgery. The operating room has abundant capacity to accommodate existing demand and possible future growth.

The adequacy of hospital facilities and services in meeting the needs of Eastern Plumas County residents can be gauged by the extent to which residents travel outside their region to receive hospital services. The rates were calculated based on patient discharge data from OSHPD. Residential location was approximated by zip code. About 73 percent of Eastern Plumas County residents patronize the hospital in Portola.

There are several major healthcare-related accreditation organizations in the United States: Healthcare Facilities Accreditation Program (HFAP), Joint Commission (JC), Community Health Accreditation Program (CHAP), Accreditation Commission for Health Care (ACHC), The Compliance Team – Exemplary provider programs, Healthcare Quality Association on Accreditation (HQAA), and DNV Healthcare, Inc. (DNVHC). For the State of

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<sup>182</sup> OSHPD, *Annual Financial Disclosure Report*, June 30, 2010, 1. CDC, Table 116. *Occupancy rates in community hospitals and average annual percent change, by state: United States, selected years 1960-2008*. Latest figure found for State of California was 2008.

<sup>183</sup> Operating room use rates are calculated as the number of surgery-minutes divided by the annual capacity of the operating rooms (number of minutes in a year is based on 24-hour use).

California the primary accreditation organization is the Joint Commission. The Joint Commission is a not-for-profit organization that accredits and certifies more than 19,000 health organizations and programs in the country. Accreditation can be earned by an entire healthcare organization, for example, hospitals, nursing homes, office-based surgery practices, home care providers, and laboratories. In California, the Joint Commission is part of the joint survey process with State authorities. Hospitals are not required to be accredited in order to operate. Accreditation generally recognizes outstanding performance by a healthcare provider. EPHD does not maintain any accreditations.

**Figure 10-6: Eastern Plumas Healthcare District Service Profile**

<b>Healthcare Services</b>			
<b>Facilities</b>			
<b>Hospitals/Clinics</b>	<b>Location</b>	<b>Condition</b>	<b>Owner</b>
Loyalton Medical Clinic	725 Third Street, Loyalton, CA	Good	EPHD
Portola Medical Clinic	480 First Avenue, Portola, CA	Good	EPHD
Portola Dental Clinic	480 First Avenue, Portola, CA	Good	EPHD
Graeagle Medical Clinic	7597 Hwy 89, Suite 1, Graeagle, CA	Good	Rented
Indian Valley Medical Clinic	176 Hot Springs Road, Greenville, CA	Good	Rented
Eastern Plumas Hospital--Loyalton	700 Third Street, Loyalton, CA	Good	EPHD
Eastern Plumas Hospital--Portola	500 First Avenue, Portola, CA	Good	EPHD
<b>Service Challenges</b>			
The District's challenges include getting physicians, and meeting requirements with reduced revenue. The District had to discontinue OB services to stay within means.			
<b>Facility Needs/Deficiencies</b>			
The boilers are planned to be replaced in 2013 and the facilities need remodeling.			
<b>Facility Sharing</b>			
<b>Current Practices:</b>			
The District practices facility sharing by managing clinics for IVHD and SVHD. The District works collaboratively with five other providers for training and referrals, especially as it pertains to psychiatric cases and drug abuse			
<b>Future Opportunities:</b>			
The District did not identify future opportunities for facility sharing.			
<b>Service Adequacy</b>			
Occupancy rate, 2010: 77.5% (versus statewide average of 71%)			
Heart attack 100% (actual) out of 100% (goal) of patients given aspirin on arrival			
Pneumonia 100% (actual) out of 100% (goal) of patients given antibiotics within first six hours			

## EASTERN PLUMAS HEALTHCARE DISTRICT DETERMINATIONS

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### Growth and Population Projections

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- ❖ There are approximately 6,239 residents within the District.
- ❖ Over the past few years, the District has not experienced a significant increase in population and service demand.
- ❖ There are several potential developments throughout the District that may lead to significant population growth in the long term.
- ❖ Due to the recent recession, most of the planned developments are on hold and therefore minimal growth is expected within the District in the next few years.

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### Present and Planned Capacity of Public Facilities and Adequacy of Public Services, Including Infrastructure Needs and Deficiencies

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- ❖ The District's facilities appear to have sufficient capacity to meet needs; however, capacity to serve demand is constrained by the District's ability to hire and retain adequate physician staffing levels and by the elimination of some services due to declining revenues.
- ❖ The District's facilities in Portola are in need of remodeling and the boilers need to be replaced.
- ❖ Capital improvements are planned for on an annual basis during each budget process.
- ❖ The District should consider adopting a capital improvement plan to identify financing needs, potential revenue sources for these needs and timing of the improvements.

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### Financial Ability of Agencies to Provide Services

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- ❖ The District reports that current financing levels are adequate to deliver services; although, the District has been compelled to eliminate some services, due to reduced revenues as a result of the recent recession.
- ❖ While financing levels appear to be adequate, the District faces the challenge of meeting mounting requirements and standards with decreased revenue.

- ❖ Reduced revenues have forced the District to cutback service levels, such as discontinuing OB services
- ❖ EPHD seeks donations and applies for various loans and grants to increase its level of funding and fund capital improvements.

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### Status of, and Opportunities for, Shared Facilities

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- ❖ The District practices facility sharing by managing clinics for IVHD and SVHD.
- ❖ EPHD works collaboratively with five other providers for training and referrals.
- ❖ Consolidation with another healthcare district would offer opportunities for shared resources and finances.

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### Accountability for Community Service Needs, Including Governmental Structure and Operational Efficiencies

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- ❖ EPHD demonstrated accountability and transparency by disclosing financial and service related information in response to LAFCo requests.
- ❖ The District conducts extensive outreach in the community.
- ❖ A governmental structure option is consolidation with SVHD.