

**Resolution No. 2016-0005**

**PLUMAS LOCAL AGENCY FORMATION COMMISSION**

*A Resolution Making Determinations and Updating the Spheres of Influence for Healthcare Districts in Plumas County Including the Seneca Healthcare District, the Plumas Healthcare District, the Eastern Plumas Healthcare District and the Indian Valley Healthcare District*

**WHEREAS**, Government Code Section 56425 requires each Local Agency Formation Commission to adopt, periodically review and update a Sphere of Influence for each local governmental agency within its jurisdiction; and

**WHEREAS**, the Plumas Local Agency Formation Commission, in compliance with the aforementioned requirement, is providing a "plan for the probable physical boundaries and service area" for healthcare services provided by the Seneca Healthcare District, the Plumas Healthcare District, the Eastern Plumas Healthcare District and the Indian Valley Healthcare District; and

**WHEREAS**, the Commission has set the hearing date of August 8, 2016 for the update of the Spheres of Influence for healthcare services provided by the Seneca Healthcare District, the Plumas Healthcare District, the Eastern Plumas Healthcare District and the Indian Valley Healthcare District and has noticed this hearing at the times and as otherwise prescribed by Government Code Section 56150, et seq.; and

**WHEREAS**, the Commission has heard and adopted a Municipal Services Review of healthcare services provided by the Seneca Healthcare District, the Plumas Healthcare District, the Eastern Plumas Healthcare District and the Indian Valley Healthcare District and Accordingly, Plumas LAFCO adopted MSR determinations for Healthcare Districts on October 3, 2011 for the Eastern Plumas Healthcare District on October 15, 2012 for the Seneca Healthcare District and on June 8, 2016 Plumas Healthcare District and the Indian Valley Healthcare District; and

**WHEREAS**, the Commission has reviewed and considered the proposed Sphere of Influence Update Map which is attached hereto as Exhibits "A" through "E"; and

**WHEREAS**, Plumas LAFCO has prepared and adopted a Notice of Exemption pursuant to the requirements of the California Environmental Quality Act since the Sphere of Influence update will not result in new areas being served (Section 21000 et seq. of the Public Resources Code); and

**WHEREAS**, the Commission has considered those factors determined by it to be relevant to the proposed Sphere of Influence, including, but not limited to, those factors specified in Government Code Section 56425, et seq., and has heard from interested parties and considered requests for amendment and/or revision of the proposed updated sphere boundary, if any and has considered the determinations listed in this resolution attached herein as Exhibit "F".

**NOW, THEREFORE, BE IT RESOLVED** that the Plumas Local Agency Formation Commission hereby find and determine as follows:



1. That the updated Sphere of Influence with respect to healthcare services provided by the Seneca Healthcare District, the Plumas Healthcare District, the Eastern Plumas Healthcare District and the Indian Valley Healthcare District comply with the provisions of Government Code Section 56000, et seq.
2. That this updated Sphere of Influence for healthcare services provided by the Seneca Healthcare District, the Plumas Healthcare District, the Eastern Plumas Healthcare District and the Indian Valley Healthcare District as shown in Exhibits "A" through "E" are hereby adopted.
3. That, pursuant to Government Code Section 56425, the Commission makes and adopts the determinations for the Sphere of Influence update for Seneca Healthcare District, the Plumas Healthcare District, the Eastern Plumas Healthcare District and the Indian Valley Healthcare District as attached as Exhibit "F"
6. The Commission has reviewed and considered a Notice of Exemption prepared for this Sphere of Influence Update and makes a specific finding that there is no substantial evidence in light of the whole record before Plumas Local Agency Formation Commission that the update of these Spheres of Influence for healthcare services provided by the Seneca Healthcare District, the Plumas Healthcare District, the Eastern Plumas Healthcare District and the Indian Valley Healthcare District may have a significant adverse effect on the environment.

**PASSED AND ADOPTED** at a regular meeting of the Plumas Local Agency Formation Commission, County of Plumas, State of California, on the 8<sup>th</sup> day of August 2016, by the following vote:

Thrall, Larrieu, Oels, Swofford and Greening

AYES: -

NOES: -

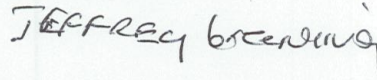
ABSENT: -

ABSTAIN: -

Attest:

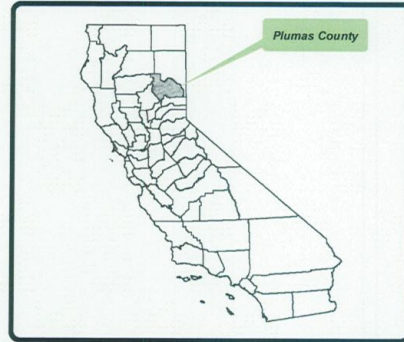
  
John Benoit, Executive Officer  
Plumas LAFCO

  
John Larrieu, Chair or Kevin Goss, Vice-Chair  
Plumas LAFCO

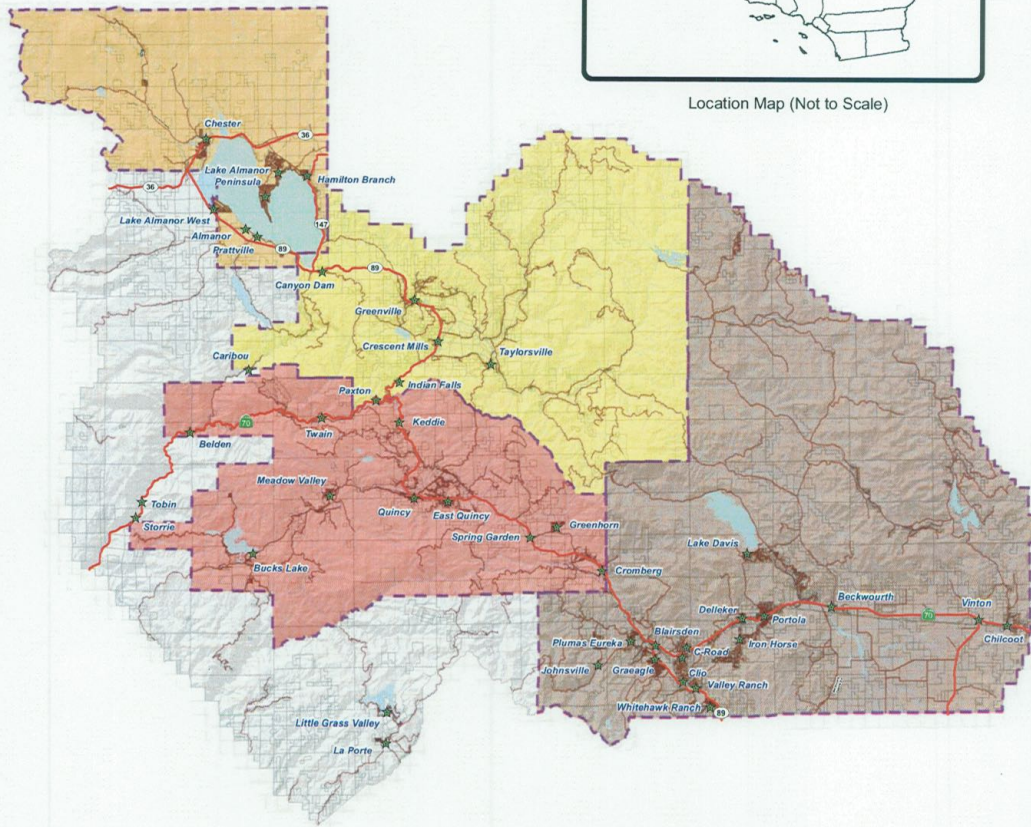
  
JEFFREY GREENING



# Plumas County Healthcare Districts Spheres of Influence



Location Map (Not to Scale)



## Legend

- Highways
- Major Roads
- Stream / River
- Waterbodies
- Parcels
- Plumas County Sectional Grid
- ★ Communities

0 3 6 12 Miles

Source: Plumas LAFCo

## Plumas County Healthcare Services

- Eastern Plumas Healthcare District and SOI Boundary
- Indian Valley Healthcare District and SOI Boundary
- Plumas Healthcare District and SOI Boundary
- Seneca Healthcare District and SOI Boundary



Map Created 7/21/2016



Exhibit "B"

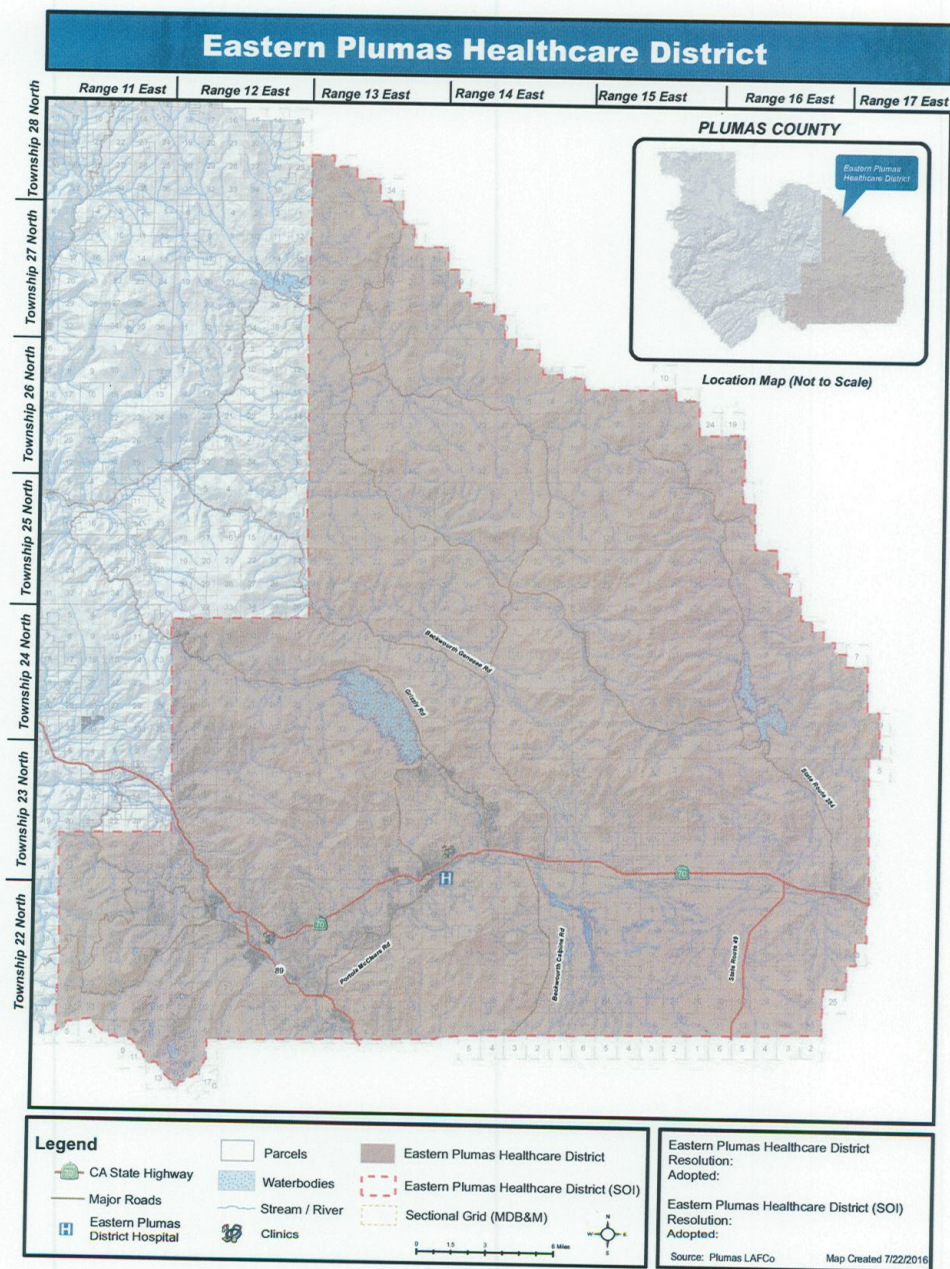




Exhibit "C"

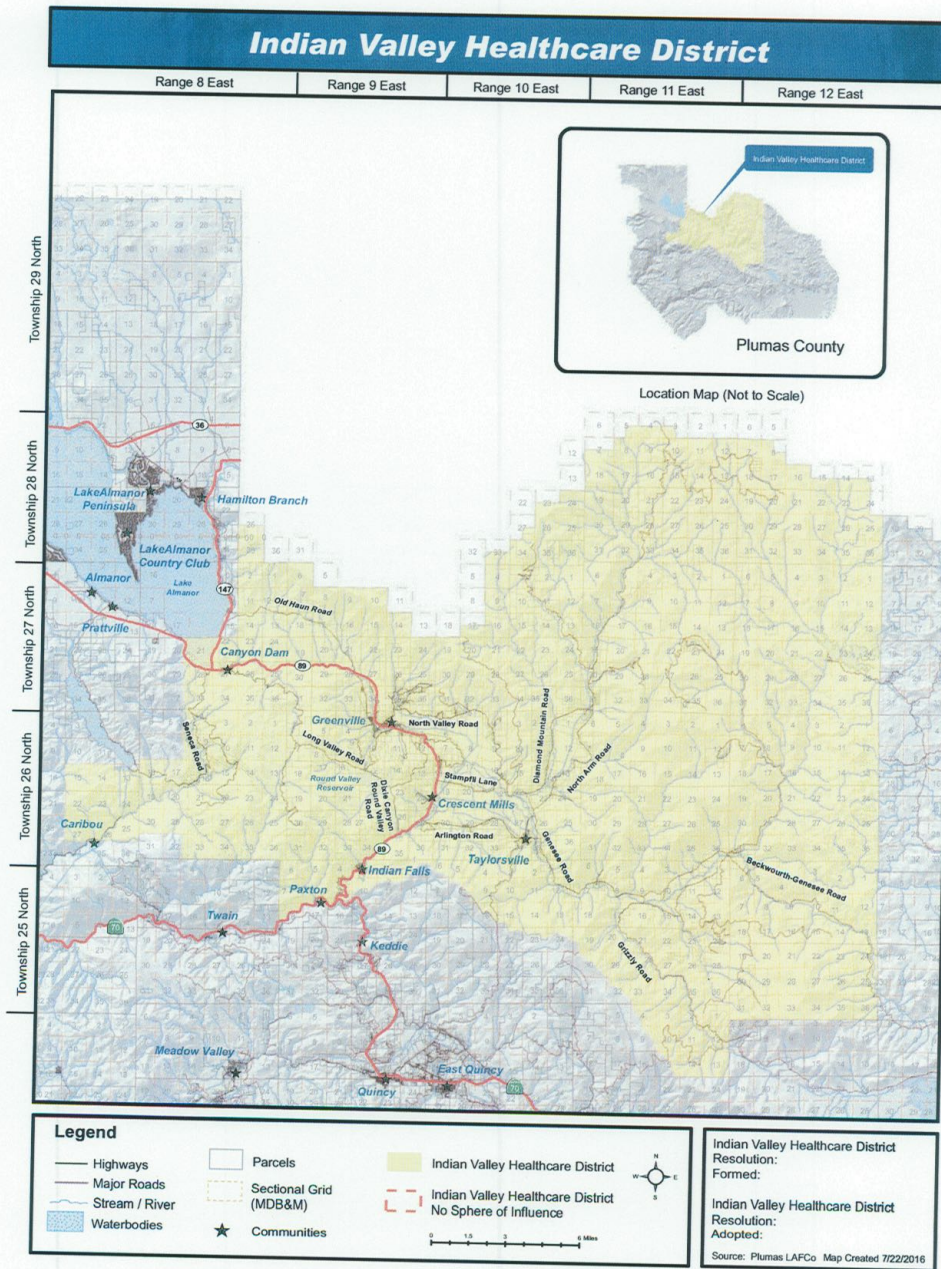




Exhibit "D"

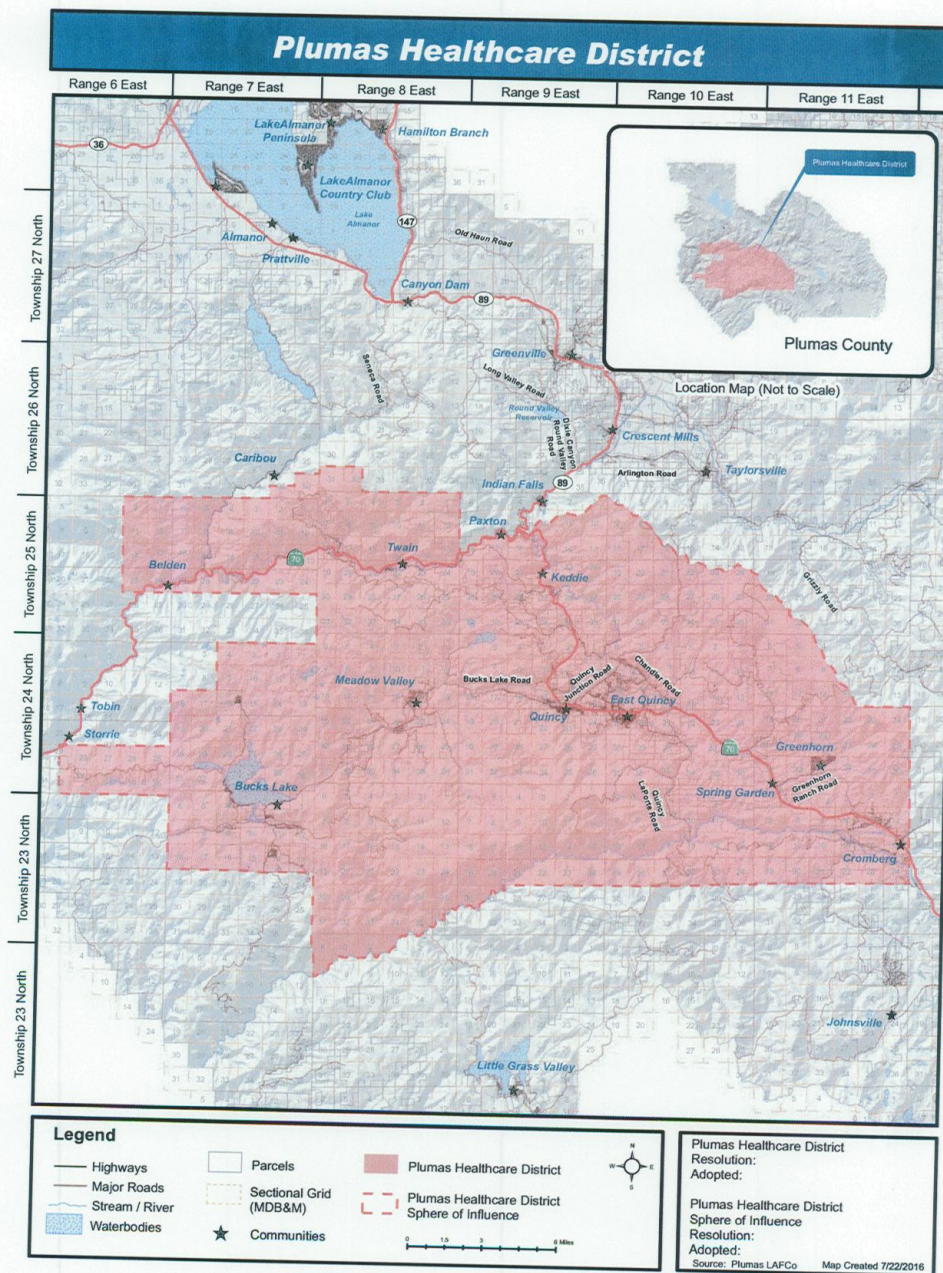
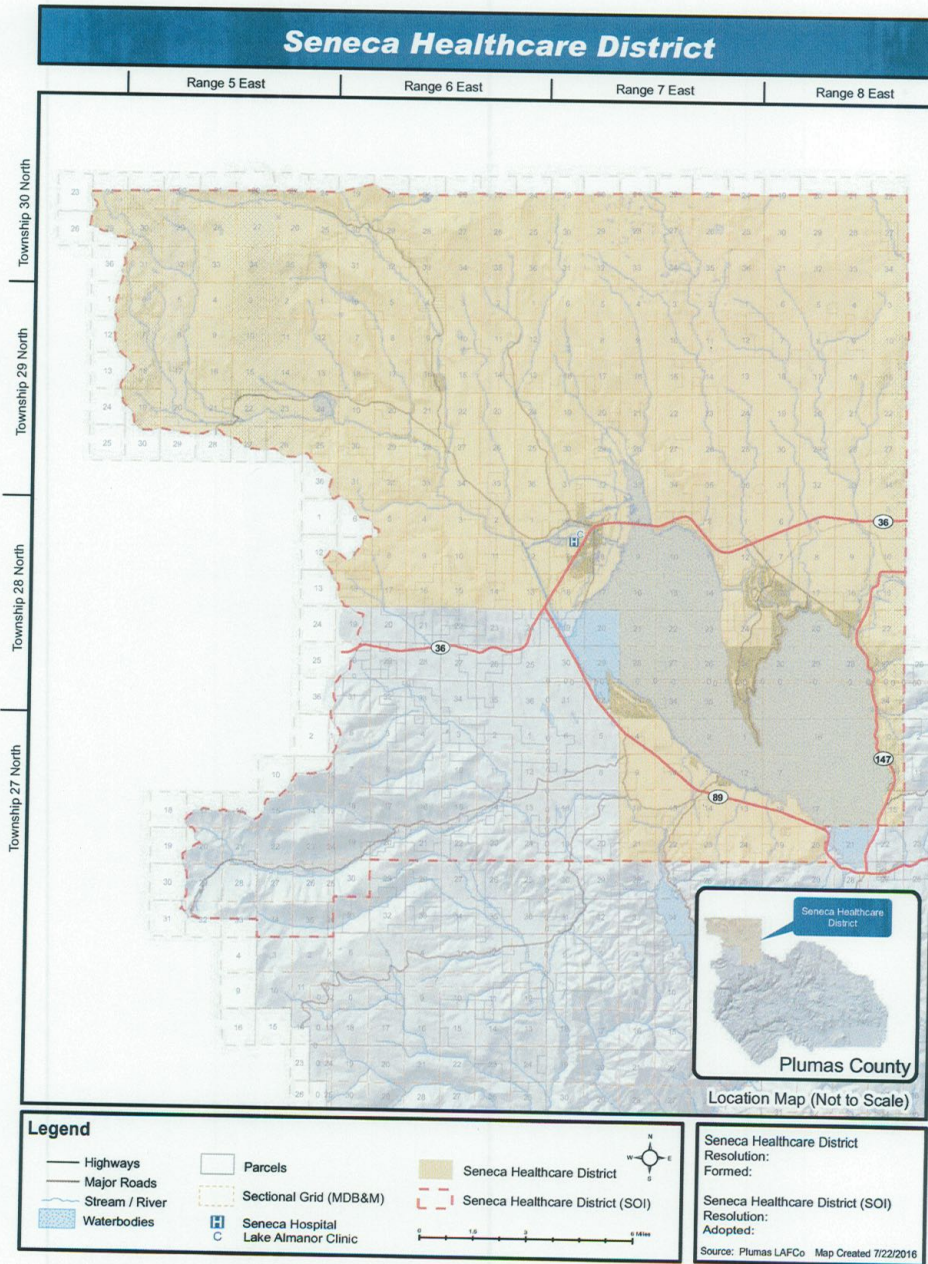




Exhibit "E"





**Exhibit "F"**

Sphere of Influence Determinations with respect to the Seneca Healthcare District, the Plumas Healthcare District, the Eastern Plumas Healthcare District and the Indian Valley Healthcare District

- 1 SOI Determinations on Present and Planned Land Use for the Seneca Healthcare District (SHD), the Plumas Healthcare District (PHD), the Eastern Plumas Healthcare District (EPHD) and the Indian Valley Healthcare District (IVHD).**
- 1-1] This SOI Update provided an indicator to the agencies and the County of LAFCO's intent that the districts and county continue to work together.
- 1-2] The total boundary area of EPHD is approximately 852 square miles. Designated land uses within EPHD are primarily agricultural and wildland, with some residential, suburban and recreational uses. Minimal growth is anticipated in the short term, and therefore little change to these land uses is likely to occur.
- 1-3] The total boundary area of PHD is approximately 424 square miles. Designated land uses within PHD consist primarily of general forest, general agriculture, timberland production, and residential and commercial uses in the Quincy and East Quincy areas. There are no significant planned or proposed developments that would likely change these existing land uses.
- 1-4] The total boundary area of SHD is approximately 283 square miles. Designated land uses within the District consist primarily of general forest, general agriculture and timberland production in the northern part of SHD, and recreational and residential around Lake Almanor. Minimal growth is anticipated in this area in the immediate future. There are no significant planned or proposed developments at this time.
- 1-5] The District's bounds encompass approximately 494 square miles. A majority of the land uses within the District are agricultural preserve, general forest, timber zone, and residential. It is anticipated that area will experience minimal growth in the foreseeable future.
- 1-6] Healthcare districts are not land use authorities, and therefore do not hold any responsibility for implementing growth strategies. The land use authority for unincorporated areas is Plumas County and the City is the City of Portola. Consistent data coordination is needed with respect to all county land use and healthcare service providers.
- 1-7] The State Department of Finance (DOF) projects that the population of Plumas County will grow by four percent in the next 10 years. Thus, the average annual population growth in the County is anticipated to be approximately 0.4 percent. Based on DOF's projected minimal population growth throughout the County, it is anticipated that demand for services will increase minimally through 2020.



**2 SOI Determinations on Facilities and Services: Present and Probable Need for the Seneca Healthcare District, the Plumas Healthcare District, the Eastern Plumas Healthcare District and the Indian Valley Healthcare District.**

- 2-1] Service demand for healthcare services throughout Plumas County has been decreasing in the last few years although the population is older. Many residents have been leaving the area, due to the recent prolonged recession. The region has been hit especially hard economically, as many residents are only part time and maintain second homes and investment homes that have been increasingly going vacant. In addition, there has been a significant decline in the timber industry, which has caused an outflow of young people seeking employment elsewhere.
- 2-2] Even with the decline in demand for services that is being experienced and forecasted to continue, there will be an ongoing need for the critical public health services provided by EPHD, PHD, SHD, IVHD.
- 2-3] Completion of studies, hearings and actions by the Plumas Local Agency Formation Commission as well as community support will be needed by LAFCo prior to the next SOI update.
- 2-4] LAFCo will be preparing a updated Service Review and Sphere of Influence Update at an undetermined time in the future. To prepare this updated Service Review and Sphere Update, certain information will be requested by LAFCo.

**3 SOI Determinations on Public Facilities Present and Future Capacity for the Seneca Healthcare District, the Plumas Healthcare District, the Eastern Plumas Healthcare District and the Indian Valley Healthcare District.**

- 3-1] EPHD'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.
- 3-2] Capital improvements EPHD 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.
- 3-3] PHD's existing facilities have the capacity to adequately serve current demand and potential future growth based demand. However, capacity is constrained by the fair condition of most of the facilities. Many renovations and improvements are necessary. The District has started implementing some of the upgrades.
- 3-4] PHD provides adequate services based on multiple service adequacy indicators, including 1) prevention quality indicators, 2) community-acquired pneumonia mortality rates, 3) inpatient mortality indicators, 4) hospital occupancy rate, 5) EMS ambulance diversion rates, 6) operating room use, 7) the extent to which residents go to other hospitals for service, 9) incidents resulting in deficiencies, and 10) compliance with legal requirements. The District's hospital is an award winning hospital and is accredited by the Joint Commission.



- 3-5] SHD's existing facilities have the capacity to adequately serve current demand and potential future growth; although there are multiple infrastructure needs that are classified by priority. Capital needs are planned for in a list of infrastructure needs with a two to three-year planning horizon.
- 3-6] IVHD's existing clinic has the capacity to adequately serve current demand and potential future growth, since demand has decreased and is not likely to go up by a large amount. The clinic is in excellent condition as it recently underwent remodeling. However, the office building requires multiple upgrades and repairs to improve its condition.
- 3-7] While not subject to LAFCo's jurisdiction healthcare services are also provided through the County and are dependent upon state and federal as well as local funds. The county normally adopts a proposed budget in early summer and a final budget late summer.
- 3-8] Each of the healthcare districts has a need for a formal multi-year capital improvement plan to appropriately plan for facility needs and the funding to address those needs. While the County does not have a Capital Improvements Plan, it has a community health assessment and improvement plan through a Collaborative Agreement with the Healthcare Districts and the Tribes.
- 3-9] All of the districts, and the County face financing constraints caused in part by the prolonged recent economic recession especially hitting rural areas. The districts have worked at implementing cost constraints to cut costs and have entered into the Collaborative Agreement with each other, the tribes and the County. In general, the districts and the County continue the challenge to maintain adequate revenues to cover services due to several limiting factors, including 1) in a rural area with low population density, demand for specialty services often is not sufficient to cover the cost of providing the much needed service, 2) the population of Plumas County continues to decrease as residents migrate out of the County for jobs, which lowers demand for services and contributes to a higher average age, 3) residents often travel out of the County for medical care, reducing demand for services even further, 4) reimbursement rates for Medi-Cal are some of the lowest reimbursement rates in the nation, and often do not cover the costs associated with the services provided.
- 4 **SOI Determinations on Social or Economic Communities of Interest for the Seneca Healthcare District, the Plumas Healthcare District, the Eastern Plumas Healthcare District and the Indian Valley Healthcare District.**
- 4-1] The residents of the entire region from which these medical facilities and healthcare services draw customers is considered a social community of interest. It is a challenge to identify the exact extent of a hospital's or clinic's service area; however, it is apparent that the service area for each of Plumas' healthcare districts extends outside of their respective boundaries given the manner in which the districts have made efforts to collaborate and not duplicate specialty services within the County. Additionally, tourists from outside of the area make use of the County's medical facilities.
- 4-2] Given there are residents within the County not within a designated healthcare district, the community of interest that is comprised of all County residents is divided. It should be noted that those residents outside of the district receive the same services at the



same price as residents, while residents of the healthcare districts continue to pay property taxes to supplement healthcare district operations. The provision of healthcare services for all those in need of services within Plumas County should continue into the future.

**5 Present and probable need for public facilities and services of any Disadvantaged Unincorporated Communities within the existing Sphere of Influence for the Seneca Healthcare District, the Plumas Healthcare District, the Eastern Plumas Healthcare District and the Indian Valley Healthcare District.**

- 5-1] Since EPHD, PHD, SHD, and IVHD do not provide water wastewater, and fire services, and healthcare services are made available in an equitable fashion regardless income, the present and probably need for public facilities and services of any DUC within the County is equivalent to all other communities in the County.