



Long Beach Medical Center
Community Medical Center Long Beach
Miller Children's & Women's
Hospital Long Beach

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March 5, 2018

Dr. Robert Garcia, Mayor
Patrick H. West, City Manager
Daryl Supernaw, 4th District Councilmember
City of Long Beach
c/o: John Keisler, Economic Development Director
333 West Ocean Boulevard
Long Beach, CA 90802

To Whom It May Concern:

We are writing to confirm receipt of your letter dated February 16, 2018 where the City formally requested that the Long Beach Medical Center Board of Directors:

- a) Not pursue a license to transition the facility to a standalone psychiatric hospital
- b) Renew the General Acute Care Hospital License (which includes the behavioral health unit, because there is no separate Acute Psychiatric Hospital license as referenced in the February 16, 2018 letter)
- c) Provide written approval for the City to engage with potential future partners for the land and buildings

We have been committed to the City of Long Beach since we opened our first hospital in Long Beach in 1907. Over the years since we acquired the lease for Community Hospital in 2011, we committed more than \$22 million in programmatic and operational enhancements, including \$15 million in capital funding. Since that time, we have also added many important outpatient community-based services to the area, including large medical facilities in Los Altos and Douglas Park, as well as imaging, urgent care, ambulatory surgery, kidney dialysis and many other programs and services for both adults and children.

However, when it became clear in recent months that the severity of the seismic issues would not make it possible to continue acute care services, as a mission-directed health care provider we were optimistic a decision would be made to transition the facility to meet what has been repeatedly found to be the most critical health care need of the community—the need to greatly expand inpatient behavioral health services—inpatient services that are allowed under the seismic regulations. That need was identified pursuant to an in-depth analysis conducted by a prominent third party with considerable expertise in Community Needs Assessments and additionally through an earlier study conducted by the Long Beach Department of Health and Human Services that confirmed the gaps in behavioral health services across the City.

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It was, therefore, our sincere desire that we could facilitate the transition of Community Medical Center to another operator that would provide full-time behavioral health services at the Community Medical Center location. However, in light of the City's decision rejecting this concept, we will not pursue a separate license for a stand-alone behavioral health hospital and we continue to evaluate our ability to maintain viable acute care operations at Community Medical Center.

Pursuant to your request that we renew the annual licenses of the facility, we will carry out the usual annual process of renewing the acute care license for Community Medical Center Long Beach. As a point of clarification, the licensure renewal is undertaken in the normal course of business and does not impact the need to cease operations at a date much earlier than the end of the next licensure term.

Additionally, please accept this letter as written approval of the Long Beach Medical Center Board of Directors for the City to engage with potential future partners for the land and buildings, including but not limited to buyers, developers and operators.

As the City's Economic Development Department communicated to the Long Beach City Manager, Mayor and Members of City Council in its memo dated January 17, 2018, the two independent seismic studies commissioned by Community Medical Center Long Beach and confirmed by the California Office of Statewide Health Planning and Development (OSHPD) have been confirmed by the consultant (Ninyo and Moore, Geotechnical and Environmental Sciences Consultants) engaged by the City of Long Beach in its due diligence and geotechnical review. Those studies confirmed what Community Medical Center presented during the November 14, 2017 City Council Study Session that *due to an active fault line it is not feasible to comply with the seismic requirements of an acute care hospital.*

As discussed previously, Long Beach Medical Center exhaustively explored all options to continue operations at Community Medical Center as an acute care hospital. This proved not possible since large portions of the facility would have to be demolished, resulting in a small, 94-year old facility with no more than 20 acute care beds, which would not allow for viable acute care operations.

As you know, the seismic regulations in California permit multiple other health care uses beyond acute care on this site, including behavioral health and ambulatory services. But it is our clear understanding that the City appears insistent on maintaining an emergency department. In the State of California, emergency departments are required by law to include acute beds, intensive care beds, surgical suites and multiple clinical and other support services. An emergency department, therefore, cannot operate legally without being part of a hospital with many related clinical and support services.

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It is important to also note that Community Medical Center and its emergency department is not a designated trauma center, stroke receiving center or cardiovascular receiving center, and does not provide obstetrical services. All patients needing these services are referred to other hospitals within the City.

Since announcing on November 6, 2017 that Community Medical Center Long Beach must cease acute care operations, the number of staff departing for other longer-term and other opportunities is growing significantly, despite our substantial employee retention bonus. While we continue to maintain patient care staffing ratios, it has become increasingly difficult to maintain the depth of resources necessary to operate an acute care hospital. As such, attached, we are issuing our lease termination letter.

Thank you for your continued support of Long Beach Medical Center and Community Medical Center as we work through transitioning the Community Medical Center facility back to the City. We have been and will continue to work with the Long Beach Fire Department on issues related to emergency health services and alleviating the impact on the emergency departments as Long Beach Medical Center, St. Mary Medical Center and College Medical Center expand their emergency services.

In addition to the three local hospitals expanding their ERs, we are introducing a number of new initiatives in the community and at our hospitals that will benefit patients, staff and emergency medical services professionals. These include expanding urgent care services on the Eastside of Long Beach, adding staff for more timely hand-offs of patients arriving by ambulance and joint educational activities with the City of Long Beach stakeholders on appropriate use of emergency and urgent care services. We are also increasing the number of observation beds at Long Beach Medical Center so that ER patients needing additional testing and monitoring before physicians decide if they should be admitted to the hospital or discharged home can be cared for in a non-emergency room location.

Regards,



John Bishop
Chief Executive Officer
Long Beach Memorial Medical Center



Russell Hill
Governing Board Chair
Long Beach Memorial Medical Center

cc: Charles Parkin, City Attorney