



CITY OF LONG BEACH

OFFICE OF THE CITY MANAGER

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June 19, 2018

Long Beach Memorial Medical Center Board of Directors
c/o: John Bishop, CEO
2801 Atlantic Avenue
Long Beach, CA 90806

Re: Closure of Community Hospital Long Beach

Dear Mr. Bishop:

Thank you for your open letter to the City dated June 15, 2018 indicating the intention of Long Beach Memorial Medical Center (MemorialCare) to accelerate the closure of Community Medical Center Long Beach (Community Hospital) on July 3, 2018. Although we understand that it is financially infeasible for MemorialCare to continue to operate an acute care hospital at the site, the purpose of this letter is to (a) ask for you and your Board of Directors to fulfill your commitment to “work collaboratively with the City and other community stakeholders on transition plans that focus on the needs of the community”, and (b) to clarify for the community and for your Board, a few misstatements from your letter. On November 14, 2017, representatives of MemorialCare provided a public presentation to the Mayor and City Council indicating that MemorialCare would be unable to operate Community Hospital Long Beach (CHLB) as an acute care hospital after June 30, 2019. Upon receiving this report, the Mayor and City Council took immediate action to:

- Identify a qualified operator to replace MemorialCare at the CHLB. Through a rigorous process, the City has identified Molina, Wu, Network, LLC. (MWN) as the most qualified provider to replace MemorialCare at CHLB. MWN is comprised of three experienced entities including Dr. Jonathan Wu, who through AHMC, operates 7 acute care hospitals and over 1,200 beds in the region, including Anaheim Memorial Medical Center which was acquired from your organization in 2009.
- Develop plans to make the hospital safe and achieve State approval. The City hired Perkins + Will, a respected architecture firm currently working on dozens of California hospitals to secure seismic compliance and patient safety in the seismically safe Heritage Building at the site.
- Extend the deadline to complete safety improvements. The City has partnered with Assemblymember Patrick O'Donnell to sponsor legislation that would extend the deadline for seismic compliance to provide access to critical care services for residents of Long Beach.

- Minimize impacts of service disruption. The City has worked closely with 4th District Supervisor Janice Hahn and the Los Angeles County Emergency Medical Services Agency staff to minimize the impacts identified in the County's Impact Evaluation Report (IER).

Throughout this process, the Mayor and City Council have been fully transparent and accessible to you and your staff. We have kept you and the community apprised of our intentions and our actions as described above. However, the following statements from your letter that must be clarified for your Board of Directors and members of the public:

1. In your letter dated June 15, 2018, you state that "based on conclusions of independent seismic experts, it was impossible for Community Medical Center to comply with applicable seismic requirements for acute care hospitals due to the hospital being located on an active earthquake fault. These conclusions were confirmed by the California Office of Statewide Health Planning and Development (OSHPD), and, later, by the City's own outside experts." This statement must be corrected. In recent meetings with City staff, OSHPD confirmed that no plans for seismic retrofit of CHLB have ever been submitted to the State agency by MemorialCare. Further, as a matter of policy, staff confirmed that OSHPD does NOT take formal positions on the feasibility of a site until construction plans have been submitted. Additionally, statements by MemorialCare regarding the feasibility of an acute care hospital at CHLB are their own and cannot be attributed to OSHPD. Finally, while the City's own outside expert verified that there is an active fault on the 8.7-acre site, they never indicated that it was impossible for an acute care facility to meet requirements on seismically safe areas of the site.
2. In your letter, you indicate that "there is no viable option for bringing the facility into compliance with applicable seismic regulations". This statement must be corrected. While there is an active fault running through a portion of the 8.7-acre site, OSHPD has indicated a number of potential solutions to consolidate the emergency room and eight basic services in a smaller hospital within the seismically safe Heritage Building. Although it may be financially infeasible for MemorialCare, it is inaccurate to state that it is impossible to operate an acute care facility anywhere on the site.
3. In your letter, you indicate that an interim management agreement "would enable the private group to benefit financially by avoiding the need to make costly safety and other improvements to the facilities that would otherwise be required". This statement must be corrected. As with the 2010 management agreement that you, MemorialCare, executed with Community Hospital of Long Beach, the operator will still be responsible for making all safety improvements to the facilities. This is something that you have committed to in the past, and we are asking for a similar agreement that your hospital received in 2010. This will allow the new operator to minimize disruptions identified in the County's Impact Evaluation Report (IER), while licensing is secured and construction plans are finalized.

Although MemorialCare staff have been aware of the progress made by City, County, and State agencies, the recommendation to the Board of Directors to accelerate the hospital closure a full year before the State deadline will have unnecessary negative impacts on Long Beach and the surrounding communities. As such, on behalf of the City Council, we are formally requesting that the Board of Directors: (a) not surrender or allow the current hospital license at CHLB expire until the new operator can establish a new license for the site, (b) engage with the new operator to establish a transition plan that will minimize disruption to the Long Beach community (similar to the agreement that MemorialCare executed with CHLB in 2010), and (c) work with partner agencies to limit the negative impacts to area residents identified by in the County Impact Evaluation Report.

Thank you for your consideration of this important request. We are committed to working expediently and in the spirit of collaboration to find a solution that truly meets the needs of our residents and visitors. Please do not hesitate to contact Economic Development Director John Keisler by phone (562) 570-5282 or by email john.keisler@longbeach.gov with questions concerns.

Respectfully,



Dr. Robert Garcia
Mayor



Daryl Supernaw
4th District Councilmember



Patrick H. West
City Manager

cc: Long Beach City Councilmembers
Charles Parkin, City Attorney