Supervisor Jim Desmond
Chair, Local Agency Formation Commission (LAFCO)
1600 Pacific Hwy
San Diego, CA 92101

October 25, 2022

Dear Supervisor Desmond:

My name is Dr. Hamid Movahhedian and I am a neonatal cardiologist who has worked at Tri-City Medical Center for more than 25 years. I am also the medical director of the Level III Neonatal Intensive Care Unit (NICU) and the newborn nursery at Tri-City Medical Center. In that time, I have had the pleasure of treating literally thousands of newborns from throughout the North County region and helped build the medical center's Level NICU into the stellar example of quality, efficient care that it is today.

I am writing to you in your role as Commissioner and Chairperson for the Local Agency Formation Committee (LAFCO).

The reason for this letter is to express my concerns related to recent decisions made by LAFCO related to the provision of labor and delivery – and by extension, neonatal – services in the Tri-City Healthcare District cities of Oceanside, Vista and Carlsbad.

As a point of background, late in 2021, after decades of serving the needs of patients from two local Federally Qualified Health Centers (FQHC), Vista Community Clinic and TrueCare, formerly North County Health Services, both clinics moved their newborn deliveries to Palomar Health.

The clear reason for this move was to save costs as both clinics would no longer have to staff their own physicians at the hospital for deliveries, but rather would rely on what is called a "laborist" model of care in which an outside physician group, under contract with the hospital, would provide labor and delivery services separate from the prenatal services provided by clinic physicians in clinic offices.

Financially motivated business decisions, however, are not popular reasons from a public relations standpoint, so the clinics' announcement of the move made overtures about the potential for quality care provided at Palomar Health. The implied undertone was that the quality at the new hospital would be better than at Tri-City Medical Center. This is nonsense as Tri-City Medical Center has consistently maintained high quality care and excellent patient outcomes, a sentiment that was confirmed by the CEOs of both FQHCs at the October 3, 2022, LAFCO meeting.

At the time that the announcement was made, I was incensed. I made several statements that expressed this frustration, including one that appeared in the San Diego Union Tribune and is being quoted by Palomar Health in their justification for their request. Unfortunately, my statement was taken out of context or misquoted in the newspaper. However, my passion as a patient advocate who is concerned about the future of neonatal care in North County came through.

This passion has been developed over several decades of providing care for the most critically-ill newborns in our community, including a number of situations in which care provided at Palomar Health for newborns has fallen short of expectations and where Tri-City Medical Center, and our emergency room and neonatal care teams, had to step in to save lives.

I'll present one such example that made headlines years ago involving a three-day-old newborn named Caleb. Caleb, who was born at Palomar Health, was discharged from their hospital with an undiagnosed congenital heart defect. Caleb presented at our emergency room in total shock and on the brink of death. Our emergency room physician, Dr. Gene Ma, who is now also our Chief Medical Officer, stabilized Caleb and called the neonatal team, including myself, for consultation. Upon examining Caleb, it was clear he had complex congenital heart disease. We immediately initiated a special medication to further stabilize him and airlifted him to Children's Hospital where he underwent surgery. He is now a healthy and happy little boy living in another state with his family.

In the wake of this event, Tri-City developed a special code called "Code Caleb" to initiate the neonatal team when any babies less than one-month old present in the emergency room. This code, which is now relatively widely used at hospitals, has resulted in positive outcomes for many babies in the more than 10 years since its inception. We also lead a legislative reform effort in Sacramento that passed a state law, with Caleb's parents in full support, that requires hospitals to conduct pulse oximetry monitoring prior to sending a baby home. This legislative leadership from Tri-City and Caleb's parents has been replicated in other states as well, and, in total, has likely saved thousands of lives.

It is with this, and countless other experiences, in mind that I express my concerns.

I knew that the movement of FQHC patients to Palomar Health would place an undue burden on their families. These pregnant patients, the majority of whom come from historically underserved communities, and who suffer, statistically speaking, from a disproportionately high rate of pregnancy-related illnesses, would be ill-served by the requirement to travel extended distances from the cities of our District all the way to Palomar Health facilities in Escondido or Poway.

Women who for decades had been able to receive high-quality care at Tri-City Medical Center, whose newborns often required critical care in our advanced NICU, and who live within walking distance or a short car or bus ride from our hospital, would be forced to bypass our hospital and commute to a hospital that was ill-equipped to handle their needs.

In fact, Palomar Medical Center Escondido's NICU, while ostensibly a Level III facility, is very small (only 4 beds) and transfers many of their NICU patients all the way down to Rady Children's Hospital in San Diego for care. While Rady Children's Hospital is a fine facility with great neonatal care, from the perspective of a neonatal physician, the distance from our District is a concern.

Parents need to be with their children during these difficult times and additional travel of more than an hour each way is often not possible, especially for parents from lower socioeconomic backgrounds who more often than not are required to work long hours to make ends meet and/or

who care for large families, including multiple additional children. Adding several hours of travel time each day to the hours needed for parents to be by their baby's side, is untenable for most.

With this concern in mind, I reached out to leaders within Palomar Health and Rady Children's Hospital, including the director of the NICU and other executive leaders within Palomar Health, as well as the medical director of the Rady Children's Hospital NICU, their Chief Medical officer, and the director of the transfer team, expressing these concerns related to travel distances and the difficulties this would present not only for the clinical care of the babies themselves, but for lower socioeconomic status parents. I offered to have those patients requiring longer stays transferred to Tri-City Medical Center's NICU so that the parents could be closer to their babies.

Keep in mind that science clearly demonstrates that neonatal patients who have regular parental visits in the NICU have statistically better outcomes and shorter NICU stays than those who don't have parental visits or have less frequent visits.

My concerns, unfortunately, fell on deaf ears and my offer was ignored.

If not transferred to Rady Children's Hospital for care, I feared that some patients may be discharged prematurely – a decision that could impact their immediate health and wellness and long-term outcomes. Unfortunately, my worst fears have come true and Tri-City Medical Center is now experiencing a rash of patients readmitted to Tri-City after being discharged from Palomar Health, including a disproportionately large number of infants who have required additional care in our NICU. In fact, Tri-City Medical Center is the <u>only</u> hospital in North County to readmit NICU patients, as Palomar Health's NICU is too small for readmissions.

To put this into perspective, typically a hospital might expect a NICU readmission rate in the range of 2-4%, but based on our calculations, it appears that upwards of 30% of Palomar Health's discharged NICU patients have required readmission at our hospital in July and August alone.

Compare that new reality to the services that are and have been continuously available at Tri-City Medical Center, with our well-staffed private labor and delivery rooms and licensed 20 bed Level III NICU that is equipped with the latest technology. For those parents who work extended hours, Tri-City Medical Center even installed NICView cameras that allow parents and extended family members to easily see their newborns 24 hours a day, 7 days a week online, on their phone or tablet.

I recently learned that in June 2022 Palomar Health submitted a request to LAFCO alleging that a public health emergency existed within the Tri-City Healthcare District, among other specious and provably false claims, and requested authorization from LAFCO to operate within our District's boundaries for that purpose. Apparently, that request was granted by LAFCO's executive officer, who, admittedly, has no expertise in healthcare.

Aside from the fact that the request was submitted well after the execution of Palomar Health's contracts with the FQHCs, calling into question the viability of those contracts given that permission was not received prior to entering the contracts, and Palomar Health's blatant disregard for following proper procedure, I am quite concerned that a simple allegation of a public health

emergency was apparently enough evidence for LAFCO's executive officer to grant Palomar Health's request. Did LAFCO have a healthcare expert look into these allegations or even give enough notice to Tri-City Healthcare District for those claims to be countered or disputed?

To be clear: No public health emergency existed in Tri-City Healthcare District at the time these contracts were signed. They were, in fact, simply business decisions entered into by the FQHCs to save money and entered into by Palomar Health to drive market share growth outside of their own District boundaries – the third such example of such activity by Palomar Health District against Tri-City Healthcare District in a little more than decade. The other examples include Palomar Health District's establishment of Minute Clinics within Tri-City Healthcare District's boundaries, Palomar Health District's purchase and operation of Graybill Medical group, including clinics within Tri-City Healthcare District's boundaries, and the aforementioned contracts with our local FQHCs for labor and delivery services.

Unfortunately, this latest move became a self-fulfilling prophecy as it now appears that their decision to enter into this agreement with the FQHCs may have actually created a public health emergency putting mothers and their babies at unnecessary risk.

In light of this information, the only reasonable solution is to:

- Reverse the granting of authority for Palomar Health to operate outside their district boundaries
- Find that no public health emergency existed at the time that the contracts were entered into and state so for the public record
- Admonish Palomar Health District for repeatedly violating Tri-City Healthcare District's boundaries
- Encourage both FQHCs to reevaluate their current contract with Palomar Health District
- Encourage the clinics to establish agreements with both Tri-City Healthcare District and Palomar Health District so their patients have the choice of where to receive their care
- Create a new process for providing the LAFCO executive officer with the support needed to make informed decisions when such matters arise in the future, and
- Create a plan for educating LAFCO-related entities about the rules related to requests for service area expansions

Thank you for your time and consideration on this most important matter.

Sincerely,

Dr. Hamid Movahhedian, FAAP
Neonatal Cardiologist
Medical Director, Neonatal Intensive Care Unit
Tri-City Medical Center
760-712-6342 Mobile
md4babies@aol.com

October 26, 2022

Keene Simonds
Executive Officer
Local Agency Formation Committee (LAFCO)
2550 Fifth Avenue, Suite 725
San Diego, CA 92103

Dear Mr. Simonds,

Tri-City Medical Center has been providing labor and delivery services to our community members for over 60 years. Our Women & Newborn Services Department is made up of labor and delivery nurses, postpartum nurses, neonatal intensive care nurses, lactation consultants, hearing screeners, advanced care technicians, OB technicians, secretaries, respiratory therapists, occupational therapists, physicians and social workers all with the singular purpose of ensuring that our patients have a safe, high-quality birth experience.

Tri-City is consistently recognized by Newsweek Magazine as being among their Best Maternity Hospitals and has received numerous quality awards from both the California Maternal Quality Care Collaborative (CMQCC) and the California Perinatal Quality Care Collaborative (CPQCC). We have consistently maintained a lower than average NTSV cesarean birth rate with a rate of 17.7% in 2020 and 21.8% in 2021 (California average for 2021 was 23.9%). Our recent Joint Commission Survey confirmed our high standards of patient care with no significant findings in the Women & Newborn Services Department. As healthcare providers, our team of nurses and physicians work tirelessly to ensure our policies and procedures align with best practices in the field.

Nonmaleficence is a core principle of the Nursing Code of Ethics (as published by the American Nurses Association) that calls for each nurse "to do no harm." As a community of healthcare providers we are deeply saddened and angered by the allegations from Palomar Health District that there is a threat to the health and safety of expectant mothers and their babies. Our quality outcomes clearly demonstrate that we provide exceptional care. Our labor and delivery services not only remain intact, but we also have adequate staff and space to provide care to the mothers within our district.

We have continued to see an increase in newborns and mothers being readmitted to Tri-City Medical Center for post-delivery complications following their care at Palomar Medical Center. Families report feeling rushed out of Palomar Medical Center with little education or preparation for how to properly care for themselves, their new family unit and their newborns. A failure to teach one mother how to watch for signs that the baby was receiving adequate milk when breastfeeding led to her feeling responsible for her baby's readmission and weight loss. Another mother recently readmitted for surgical complications reported she wanted to deliver at Tri-City but was required to sign an agreement early in her pregnancy that she would only go to Palomar Medical Center for delivery. She believed that insurance would not cover the cost of her treatment if she went elsewhere.

Patients being directed to deliver at Palomar Medical Center have reported a variety of reasons for choosing Tri-City Medical Center instead including: long wait-times and inattentiveness during previous visits to Palomar; the economic burden of traveling so far from home to deliver; positive experiences of friends and family at Tri-City; and prior personal experiences at Tri-City.

Most recently a mother in preterm labor made the decision to deliver at Tri-City Medical Center because she knew that her baby would be sent to Rady Children's Hospital in San Diego if she delivered at Palomar Medical Center and wanted her infant to remain close and accessible.

The redirection of patients from Tri-City Healthcare District to Palomar Medical Center is unnecessary from a health and safety perspective and is placing a needless physical, financial and emotional burden on families in our community.

In the interest of patient safety we respectfully ask that LAFCO rescind the authority previously granted to Palomar Health District to operate within the Tri-City Healthcare District boundary and encourage the community clinics in North County to allow their patients to deliver at the medical center of their choice, including the option of delivering at Tri-City Medical Center.

Sincerely,

The Staff in Women & Newborn Services at Tri-City Medical Center

(See attached pages for signatures)

Women & Newborn Services Staff Signatures

RN

U.S.

RNC CEFM CLC

OB TECH

RN

OB Tech

RN

AT

RN

RN

RN

R. Frances Salgado, RNC-OB

NICU

RN

NICU RN

U.S

RN

RN

RN

RN (NICU Manager)

RN-NICU

Miranda, RN-NICU

Taylor schamber RN

Jennifer Cole RN-NICU

RN

K Golden RNC-NIC

RD

Kendyl Lasko RN

RCP

Brendine Leighton, RN

MD Neonatologist

Wendee Erickson RNC-OB

, MSW

Gail Hart RNC

Benilda Mikn-Agugub RD

Debora deRuyter RN Clinical Manager ICU

Emely Bolston RN

George Falls, MSN, RN-BC Director, ACS

Hope Chaney, EVS Manager

Eva England CV Services Director

Sherry Consolin, Cath Lab, Cardiac, Cardiac Rehab. Mgr.

Margaret Stringly Respiratory Manager

Ellen Langenfeld, Pharm.D. Director of Pharmacy

Priscilla Reynolds, MSN, RN, Manager Regulatory/PSO

Ryan Rabold, BSN, RN, Clinical Educator Telemetry

Debbie Engelhart, 2P/4P CLINICAL NURSE MANAGER

JACQUE BENDER, PCU/TELE CLINICAL NURSE MANAGER

Joanne Barnett, RN Director Pt Flow & throughput

Cyndi Ozburn, MPH, IBCLC

Angela Moore - Unit Secretary, NICU

RN, MNN-C

Signatures - WNS/NICU Support

Deanah Jibril N OB/Gyn.	Lorraine J Pearce RN
Tina Whitlock OB/ORT	Mbrah RN
Tina Bell RN	
Linda Pierce RN	
Shannon Barnett RN	
Erlinda Rudez	
Jesa Jones RN	
[illegible] RN	
Kate Wilden RN	
[illegible] RN	
Deborah Warsoff RN	
Teresa Martinez RN	
Laura Mitchell RN	
[illegible] RN	
[illegible] RN	
[illegible]	

Tri-City Medical Center

November 04, 2022

Keene Simonds
Executive Officer
Local Agency Formation Committee (LAFCO)
County of San Diego
2550 Fifth Avenue, Suite 725
San Diego, CA 92103

RE: Reconsideration of authorization for Palomar Health District to provide OB/GYN services outside its jurisdictional boundary and sphere of influence.

Dear Mr. Simonds:

This letter is a follow-up to Tri-City Healthcare District's previous correspondence to LAFCO as well as the LAFCO meeting held on October 3, 2022. Tri-City Healthcare District has since been contacted by Mr. Adam Wilson, representing LAFCO. Our understanding is Mr. Wilson has been tasked with contacting various parties to discuss this matter further. We look forward to sitting down with Mr. Wilson and would also welcome the opportunity to sit down with you and LAFCO counsel, Ms. Holly Whatley, as well, as this matter is of paramount importance to the community we serve in our District.

As LAFCO revisits approval for Palomar Health District to provide services outside its jurisdictional boundaries, we again request your full review of all pertinent factual information provided, including Tri-City Healthcare District's previous correspondence as well as testimony from the October 3, 2022 LAFCO meeting. I would like to reiterate a few key facts for your careful consideration as we anxiously await the opportunity to meet with you and/or your designees.

There is not a public health threat that warrants authorization for Palomar Health District to operate outside its jurisdictional boundary and sphere of influence. Palomar Heath District makes claims in its letters to LAFCO on June 6, 2022 and August 1, 2020 that are simply not true regarding the capability, capacity and services at Tri-City Healthcare District. Unfortunately, Tri-City did not receive these letters until August 1, 2022, and LAFCO issued approval four days later on August 5, 2022. Tri-City Healthcare District has since responded with factual information for LAFCO's consideration. Several LAFCO commissioners inquired at the October 3, 2022 LAFCO meeting regarding documentation of a public health threat. There was no testimony or evidence presented on October 3, 2022 to substantiate a public health threat existing currently or on August 1, 2022, when Palomar Health District's request to operate outside its boundaries was submitted to LAFCO. On the contrary, the Vista Community Clinic and TrueCare CEO's both attested to having a continued positive relationship with Tri-City Healthcare

District and are appreciative of the quality of care provided at Tri-City. The Vista Community Clinic and TrueCare CEO's acknowledged that their decision to contract with Palomar Health District, long-before Palomar Health District requested LAFCO approval to do so, was financial in nature and not related to quality of care. Put simply, a "laborist" program is less of a financial burden to the Clinics. This was discussed at the October 3, 2022 meeting, along with the fact that Tri-City Healthcare District initiated and has been running a laborist program since March 1, 2022. It's important to note that there has been no interruption in the 24/7 services and medical attention available for our North County community at Tri-City Medical Center during this entire time-period. This includes 24/7 on-site neonatologists. Tri-City Healthcare District has been here for all patients presenting, including Vista Community Clinic and TrueCare patients. On October 3, 2022 the LAFCO commissioners provided direction to assess whether a public health and safety threat is in existence. The answer is clear. There is not currently nor has there been a public health threat that warrants authorization for Palomar Health District to operate outside its jurisdictional boundary and sphere of influence. Patients seeking care at Tri-City Healthcare District have had uninterrupted 24/7 access to quality care.

Palomar Health District executed three-year contracts with Vista Community Clinic and TrueCare, directing clinic patients to deliver at Palomar Heath District, outside the District where the patients reside, without LAFCO approval or having any discussion with Tri-City Healthcare District, demonstrating a complete disregard for District boundaries and LAFCO. Many months subsequent to execution of contracts, without proper LAFCO approval, Palomar Health District alleged a public health threat that is nonexistent in order to seek retroactive approval for actions already taken. Palomar Health District has a history of encroaching into the Tri-City Healthcare District boundaries without following LAFCO requirements as documented in Mr. Jeffrey Scott's October 1, 2022 letter to LAFCO.

Directing patients to travel outside the District they reside in to receive healthcare services does not come without serious concerns and consequences. Many physicians, nurses and other clinical providers have raised concerns regarding the impact on our community patients being directed to travel to Palomar Health District, particularly when a full complement of quality services is available here in their community, at Tri-City Healthcare District. Dr. Gene Ma, Tri-City Healthcare District Chief Medical Officer, and Melissa Terah, Tri-City Healthcare District Director of Maternal and Newborn Services provided testimony on October 3, 2022 regarding serious clinical concerns they have witnessed first-hand. We are aware of additional clinical providers coming forward with similar concerns. Quality community care, patient safety needs and clinical outcomes must remain paramount. These concerns are coming from boots on the ground front line clinical providers whose observations warrant consideration.

We appreciate LAFCO's willingness to revisit and reconsider authorization for Palomar Health District to provide OB/GYN services outside its jurisdictional boundary and sphere of influence. Given the facts of the situation, authorization for Palomar Health District to provide OB/GYN services outside its jurisdictional boundary and sphere of influence should be rescinded and the proper District boundaries restored, as there is not a public health and safety threat warranting violation of District boundaries. Patients residing in Tri-City Healthcare District should not be directed by contract to Palomar Health District for services when quality services, facilities, capacity and capability remain robust at Tri-City Healthcare District for our community patients.

We appreciate your thoughtful and careful consideration of this situation and look forward to sitting down with you to discuss this matter. It would be greatly appreciated if you could provide copies of this letter to the Commissioners.

Respectfully,

Steve Dietlin
President & CEO
Tri-City Healthcare District

cc: Adam Wilson

Vista Community Clinic
Choose Health™

September 28, 2022

Mr. Keene Simonds, Executive Officer
San Diego County
Local Agency Formation Commission (LAFCO)
2550 Fifth Avenue, Suite 725
San Diego, California 92103

Dear Mr. Simonds:

Vista Community Clinic (VCC) has had an OB/GYN practice since the early 1990s and our deliveries were done at Tri-City Medical Center (TCMC) located on the border line of Vista and Oceanside. We were initially contracting with private OBs to do our deliveries, as Tri-City Medical Center did not have a laborist group in place, but as the private OBs costs continue to increase, we could no longer afford to contract with them. Therefore, VCC created our own OB laborist group.

VCC's laborist group was supposed to be a temporary solution until Tri-City Medical Center established their own laborist group, which never came to fruition. We knew that VCC's laborist group was not going to be financially sustainable but since we didn't have another choice, VCC's board of directors continued to fund this project even in a deficit.

In late 2020 and early 2021, Tri-City Medical Center approached VCC about the idea of having OBHG, a nationally recognized OB group, start doing our deliveries. We agreed, as we could no longer continue to fund our existing laborist group. Unfortunately, very early in 2021, TCMC informed us that they made the decision not to contract with OBHG and could not assist us financially.

During the negotiations with TCMC, they informed us that OBHG was also entertaining offers from Palomar Health to provide the same laborist services at their hospital. Knowing this information, I, Fernando Sanudo, CEO, reached out to Palomar Health and asked if they would consider partnering with us to do our deliveries. Palomar Health responded immediately and after many conversations with them, we came to an agreement that VCC would disband its OB laborist group and instead refer all our pregnant mothers to Palmar Health OBHG laborist group.

Prior to reaching out to Palomar Health, VCC was already aware that they were well known for providing excellent quality of care, high breast feeding rates among first time moms, and we were also aware that they had received numerous accolades on patient care throughout the years.

P 760-631-5000 **F** 760-414-3701
1000 Vale Terrace, Vista, CA 92084
www.vistacommunityclinic.org

CREDENTIALS VERIFICATION ORGANIZATION NCQA CERTIFICATION

Our official partnership with Palomar Health started October 1st and we have received nothing but positive feedback from our patients, staff and clinicians. Many of our patients appreciate the single bed hospital rooms, customer service from the medical staff, and the focus from the nurses on the benefits of breastfeeding.

Sincerely,

Fernando Sanudo, MPH
Chief Executive Officer
Vista Community Clinic

Tri-City Medical Center

September 28, 2022

Keene Simonds
Executive Officer
Local Agency Formation Committee (LAFCO)
County of San Diego
2550 Fifth Avenue, Suite 725
San Diego, CA 92103

RE: Response to Notice to Alternative Service Provider

Dear Mr. Simonds:

Tri-City Healthcare District is in receipt of LAFCO's Notice to Alternative Service Provider letter as well as Palomar Health District's June 6, 2022 and August 1, 2022 letters to LAFCO. Each letter was received by Tri-City Healthcare District on August 1, 2022 from LAFCO. This correspondence is a factual response in order to provide LAFCO with appropriate and necessary information regarding Palomar Health District's request to provide OB/GYN services beyond their jurisdiction. It is respectfully requested that LAFCO staff continue this item to the next LAFCO Board meeting in order to provide the opportunity to fully review and consider all necessary, accurate and critical information in order to provide a completely informed recommendation.

First and foremost, Tri-City Healthcare District continuously provides excellent quality services at our Beatrice Riggs French Center for Women and Newborns including, but not limited to, a full accompaniment of OB/GYN physicians and neonatologists on site 24/7, as well as both registered and licensed vocational nurses, support staff members, obstetric anesthesiology, certified lactation consultants and other support staff members. Additionally, our center boasts family-centered labor & delivery suites, recliners/sleepers for partners to stay overnight, nearby operating rooms that are dedicated exclusively to obstetrics, nursery care for babies who need extra attention, a comfortable lounge for waiting friends and family, and the latest in secure, monitoring to ensure the safety of patients and their babies.

Tri-City Medical Healthcare District is also home to the largest Level III Neonatal Intensive Care Unit (NICU) in North County — a facility that for decades has been highly regarded for both clinical outcomes and family comfort. The NICU at Tri-City also utilizes the NICVIEW camera system, a wireless, encrypted streaming system that allows parents to view their child from their personal device in real time.

In terms of quality, Tri-City Medical Center is recognized on Newsweek Magazine's Best Maternity Hospitals list (2021, 2020) and has received awards from the California Maternal Quality Care Collaborative (CMQCC) including the MDC Superstar Award: Medium-Sized Birth Volume Hospitals, Quality & Sustainability Award: NTSV Cesarean Birth rate (PC-02) and the Quality & Sustainability Award: Timely Treatment for Severe Hypertension (HTN) Rate.

It is of paramount importance to note, despite alarming claims made by Palomar Health District correspondence to LAFCO, there has been no interruption in the 24/7 services and medical attention available for our North County community at Tri-City Medical Center. The services, facilities, capacity and capability remain robust for the community we serve. This includes 24/7 on-site neonatologists and uninterrupted anesthesia coverage.

Palomar Health District's June 6, 2022 letter to LAFCO, provided to Tri-City Healthcare District on August 1, 2022 by LAFCO, seeks approval to extend services beyond its existing jurisdictional boundary and claims the health and safety of expectant mothers and their babies are of concern. In reality, Palomar Health District had previously arranged to provide the services well in advance of requesting LAFCO approval. In fact, Vista Community Clinic announced it would be transferring its Labor and Delivery services in September, 2021. Palomar Health District, without obtaining LAFCO approval or having discussion with Tri-City Healthcare District, executed a three-year contract with Vista Community Clinic, directing Vista Community Clinic patients to deliver outside of the District they live in. Vista Community Clinic then notified Tri-City Healthcare District that it would no longer be supporting Vista Community Clinic doctors' participation in the Tri-City Healthcare District 24/7 community physician call coverage and delivery service. Palomar Health District followed by executing a three-year contract with TrueCare in December, 2021, again without LAFCO approval.

Following Vista Community Clinic's decision, Rocky Chavez, Chairman of the Tri-City Healthcare District Board of Directors, spoke to this issue at a public board meeting, stating as follows:

> *"As has been reported in the media, Tri-City Medical Center was recently notified that Vista Community Clinic will no longer participate in our 24/7 community physician call coverage and delivery service after October 16th.*
>
> *In light of VCC's decision, Tri-City Medical Center is working with our community physician partners to build upon the comprehensive and quality driven maternal and child health services that we've provided for our community members for over six decades.*
>
> *That's an important fact that bears repeating: Tri-City Medical Center has been welcoming new babies into this world for over 60 years and is proud to be the top choice for labor and delivery for thousands of community members.*
>
> *It's part of our mission to advance the health and wellness of the community we serve.*
>
> *And we've done it very well. Everyone from our emergency room physicians, nurses and technicians who stand at the ready in the event of a critically ill infant or newborn in need, to*

our labor and delivery physicians and nurses who provide amazing care at the moment babies take their first breath and are introduced to their parent or parents, to the experts in our Level III Neonatal Intensive Care Unit who treat the most fragile babies born in our community. We are one team that is dedicated to our mission."

Tri-City Medical Center delivers babies daily and continues to do so with the utmost skill and quality that our regional partners are accustomed to. Despite claims made by Palomar Health District to the contrary, there has been no interruption in service, capacity or capability. In fact, Tri-City Healthcare District is expanding services by opening a new outpatient OBGYN clinic serving the entire Tri-City Healthcare District region with capacity to serve thousands of new and existing patients. Tri-City also initiated a 24/7 laborist program effective March 1, 2022. Tri-City Healthcare District continues to deliver babies for our community without interruption. The residents of the Tri-City Healthcare District are in very capable hands.

While the services, capacity and capability available at Tri-City Healthcare District have been expanding, the volume of deliveries has decreased substantially due to Palomar Health District contracting with Vista Community Clinic and TrueCare to direct patients to deliver at Palomar Health District, outside of the patients' community. Time matters in critical situations for mothers and babies, and Tri-City Healthcare District is here providing the highest quality of care 24/7 for our community. This includes patients identifying as Vista Community Clinic and TrueCare. Moreover, not only does Palomar Health District's infringement into the Tri-City Healthcare District service area cause patients to travel further for hospital services, it will also have disruptive financial effects on Tri-City's ability to provide these services. This is important because sphere of influence and boundaries matter for public agencies. The clear purpose and intent of Government Code 56133 is to avoid cities and districts from raiding each other's service areas and providing duplicate services where no need exists.

Unfortunately, LAFCO was provided a false narrative by Palomar Health District to support its untimely request to operate outside its jurisdictional boundaries. The inaccuracies provided by Palomar Health District are concerning and alarming.

Palomar Health District's August 1, 2022 letter to LAFCO remarkably claims Palomar Health District is "aware that Tri-City Medical Center recently lost its anesthesia group, thereby halting its general surgery capability as well as limiting the care that could be given to women in childbirth labor." This is a grossly inaccurate and misleading statement. In early August, 2022 Tri-City Medical Center transitioned anesthesia service providers while maintaining 24/7 anesthesia coverage for our community. Tri-City Healthcare District's general surgery capability remains robust and was not halted, nor was care available to women in childbirth labor limited. There was simply no disruption in the 24/7 services and coverage available for our community.

Palomar Health District goes on to make reference to being "frequently contacted by physicians seeking to move their practices..." in support of its request to provide services outside its district boundaries. In Summer 2021, Palomar Health District announced that it was terminating the contract for physicians who provide their emergency room, hospitalist and intensivist coverage at both of their hospitals in Escondido and Poway from a partner of more than 40 years, to contract with a new service

provider. This caused tremendous concern among Palomar Healthcare District's physicians, staff and community members.

Speaking at the time, Palomar Health's own Chief of Staff, Dr. Sabiha Pasha, expressed concerns and was quoted on several occasions stating:

> *"Someone's going to suffer and it's going to be the patient. Mistakes will be made, physicians are going to be tired, this is the formula for physician burnout"*
>
> *"They brought a staffing model that would require each physician to see 25 patients a day in a 12-hour shift." Continuing, she remarked, "So you do the math on that — less than 20 minutes per patient, and then you have to do all your documentation. How do you take care of sick people like that?"*

Palomar Health District also references mental health services and included attachments referencing the impact of the suspension of Tri-City Medical Center's Behavioral Health Unit (BHU) in 2018.

Regarding mental health services, context is important. In 2018, Tri-City Healthcare District was forced to suspend operation of its 18-bed inpatient Behavioral Health Unit (BHU) and 12-bed Crisis Stabilization Unit (CSU) due to an inability to timely meet new federal regulatory changes related to the environment of care, notably the presence of drop-ceilings in an environment where ligature risk is a concern.

Since then, with the strong support of Supervisor Desmond and the Board of Supervisors, Tri-City Healthcare District has entered into agreements with the County of San Diego to build, open and operate a 16-bed inpatient Psychiatric Health Facility or PHF on Tri-City's Oceanside campus. This exciting partnership project will embrace a care coordination model to improve patient mental health outcomes. The project has received tremendous community support, including unanimous support from the City of Oceanside Planning Commission, and continuous support from the County Board of Supervisors and the Tri-City Healthcare District Board of Directors. We are expecting to break ground in the next 90 days with an anticipated opening date in 2023. These inpatient beds are critically needed in North County, as Palomar Health District shuttered their 22-bed inpatient Behavioral Health Unit (BHU) in 2020 when their downtown campus closed and are now closing 17 inpatient geriatric psychiatry beds in October, 2022.

Additionally, for many years Tri-City Healthcare District has operated an Intensive Outpatient Psychiatry (IOP) program at a clinic facility in Vista. Like other IOP programs, this service provides an array of outpatient treatment options and works collaboratively with behavioral health consumers to maintain mental health stability and prevent hospitalization. Tri-City's program has continued operation throughout the pandemic, when these services are so critically needed. In Fall 2019, Palomar Health District closed their IOP program with minimal notice, creating heavy pressure on Tri-City's program, increasing the average monthly census at Tri-City's program from the high 140s/low 150s in October 2019 to 168-181 for the period of November 2019 to February 2020.

Unfortunately, Palomar Health District did not provide LAFCO with timely and accurate information in its request to provide services which originate outside its jurisdictional boundaries, and contracted for these services almost one year ago for a contract period of three years. Further, Tri-City Healthcare District has services, capacity and capability available. In light of the critical information provided herein, Tri-City Healthcare District respectfully requests that LAFCO staff continue this matter in order to provide the opportunity to review all pertinent information and materials for a more fully informed reconsideration of the conditional approval for Palomar Healthcare District to provide services outside its jurisdictional boundaries.

For more than 60 years, Tri-City Medical Center has been providing high quality services for the residents and guests of the Tri-City Healthcare District. We do so today and plan to do so well into the future.

Respectfully,

Steve Dietlin
President & CEO
Tri-City Healthcare District

Health inside. Welcome in.
truecare™

September 29, 2022

Keene Simonds
Executive Officer
San Diego County
Local Agency Formation Commission
2550 Fifth Avenue, Suite 725
San Diego, CA 92103

Dear Keene Simonds,

I am pleased to provide this letter of support to share TrueCare's enthusiasm for our partnership with Palomar Health.

Previously, we were anchored at Tri-City Medical Center where we were very successful in operating a collaborative model between our OBs and Midwives. The model was well established, and we are incredibly proud of the many successes and outstanding patient outcomes that we achieved for our moms and babies. However, overtime, the burden of securing adequate coverage to back-up our providers proved to be too costly.

Although, we explored the possibility of transitioning our model to include the incorporation of an OB hospitalist program with Tri-City, sadly none of our planning was ever fully executed. As a result, we were forced to seek out other alternatives.

We are incredibly appreciative that when we approached Palomar and shared our plight, they stepped up and stepped in, securing their place as a partner. Palomar Health demonstrated their commitment to work alongside TrueCare, listening to the key attributes that a high-quality, compassionate and reputable hospitalist group would need to possess. In what we would consider a relatively short period of time, Palomar Health responded directly to our needs and secured an arrangement with OBHG.

Since the inception of our program Palomar has been responsive and solution oriented, working alongside TrueCare to mitigate various challenges. We are grateful for their continued support and look forward to all that we will accomplish together while maintaining quality care and achieving outstanding outcomes for all of our patients.

Should you have any questions or concerns, please don't hesitate to contact me directly.

Kind regards,

Michelle D. Gonzalez, MPH
President & CEO

RECOGNIZED NCQA PATIENT-CENTERED MEDICAL HOME

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Vista Community Clinic

Choose Health ™

October 04, 2022

Mr. Keene Simonds, Executive Officer
San Diego County
Local Agency Formation Commission (LAFCO)
2550 Fifth Avenue, Suite 725
San Diego, California 92103

Dear Mr. Simonds:

I am respectfully requesting that the minutes from the LAFCO meeting held Monday October 3rd, 2022, reflect in the minutes that Vista Community Clinic also experienced a *public health emergency* during the time that we contracted with Palomar Health to provide our labor and deliveries.

I neglected to mention during my presentation to LAFCO that the initial reason I reached out to Palomar Health was that we didn't have enough OBs to cover all our 24-hour shifts at Tri-City Medical Center (TCMC) starting in October 2021. Unfortunately, in late summer, one of our full-time OB clinicians resigned from her position for personal reasons, and only gave us a 30-day notice. Needless to say, this left us in a very difficult position as this clinician typically covered 4-5, 24-hour shifts per month at TCMC. We reached out to TrueCare, TCMC and the community OBs for assistance but they were either not available and/or didn't have the staffing to take on these additional shifts.

In retrospect, I should have mentioned at yesterday's LAFCO's meeting, that this crisis became a public health emergency.

As a result of this crisis, we had no choice but to reached out to Palomar Health and ask for their assistance. Palomar responded immediately and offered to assist us; this was even before, we had had any formal conversations with them about contracting with their laborist group. In other words, if Palomar Health hadn't agreed to assist us during this time, this would have posed a serious threat for our patients and community at large.

In closing, I am again requesting that this information be included in the minutes from the LAFCO meeting held on Monday October 3rd, 2022. Thank you.

Sincerely,

Fernando Sanudo, MPH
Chief Executive Officer
Vista Community Clinic

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CERTIFICATION NCQA