

MENDOCINO COAST HEALTH CARE DISTRICT  
775 RIVER DRIVE, FORT BRAGG 95437

MEMORANDUM

TO: MCHCD Board of Directors  
FROM: Paul Garza, Jr.  
DATE: November 13, 2025 (Rev 1)  
SUBJECT: Monthly Report

Rural Health Transition (RHT)

Our website has the latest information about the RHT, the federal initiative intended to preserve and improve healthcare in rural areas. Our hospital should be a beneficiary because of our status as a rural, frontier and critical access facility. The District, however, is not eligible to receive any funds from it because we do not operate the hospital. Each state must submit an application for funds. California's Department Health Care Access and Information (HCAI) has submitted the application. More information at: <http://mendocinohcd.gov/>

HCAI has published a full analysis of the initiative in a short executive summary and a more extensive slide deck summary. You can find both on our website and are included in the agenda package for the evening's meeting.

The maximum amount of funding available to any state is \$200 million per year for a total of \$1 billion for the five year period. This sounds like a very substantial amount of money but our State has 279 Rural Health Clinics, 20 Tribal Health Clinic Systems, 296 Federally Qualified Health Centers (Mendocino Coast Clinic is one of them) and 108 rural hospitals. Interestingly, 82% of census tracts in California are rural and qualify. HCAI is forming a statewide Rural Healthcare Policy Council to advise on policy, ensure policy alignment and guide reform efforts. Its role is to act as a convener and facilitator in fostering collaboration.

I would draw your attention to Page 16 of the slide deck which offers the best, brief overview of the use of these funds: Establish region hub-and-spoke networks to expand access to specialty care; Create a digital 'nervous system' of telehealth for access to specialists, e-Consults and patient self-monitoring; Expand the support rural workforce capacity in obstetrics and the development of allied health professionals; and Transformation payments to financially distressed rural hospitals in important areas. Regrettably for the District's tasks ahead, none of these funds can be used for construction.

Nonetheless, our hospital should benefit. One use at our hospital will be to support the deployment and implementation of a new patient electronic health records (EHR) information

system called EPIC. This system enables an individual's medical records to be accessed anywhere in the country. It will make medical records immediately available upon demand to treat a patient regardless of their geographic location or health system or insurer.

As we learn more, we will post information on our website. I encourage you to watch for updates.

### Gratitude

The upcoming Holiday Season is the time that we express our gratitude for the life and community we enjoy. I want to especially recognize our staff, Ms. Kathy Wylie and Mr. Wayne Allen for their dedication and outstanding work. I want to also thank our attorney, Craig Steele, and our many consultants including the Devenney Group, Regional Government Services, Building RX and Props and Measures for their work on our behalf. Further, I want to thank the dedicated staff at HCAI for their assistance and guidance.

Our hospital has moved from being an acceptable hospital to a very good one. The current scores on national metrics demonstrate this. This kind of progress only happens with hard work and dedication. I want to, therefore, especially thank the Adventist Health staff of our hospital – physicians, nurses, allied professionals, administrators, clerical support, maintenance and cleaners for their efforts on behalf of all the members of our community. We all are grateful for your work.