

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

MEMORANDUM

TO: MCHCD Board of Directors

FROM: Paul Garza, Jr.

DATE: June 26, 2025

SUBJECT: Monthly Report

Medicaid Funding

There is no hopeful news to report on the fate of Medicaid in the current Congress. Becker's this week featured an article entitled "A Bad Bill Gets Worse". This was based on indications (also reported in Politico) that the Senate is proposing deeper cuts to Medicaid than those appearing in the House version of the Budget Resolution. It has also been reported to me that majority Senators are declining to meet with representatives from hospital and healthcare organizations. At this point, the potential funding cuts appear ominous.

State of the District

I am pleased to report that the District is functioning more effectively than it has during my tenure. We now have excellent collaboration from Adventist Health on planning for an improved facility, our committees are active and, as reports will indicate tonight, engaged in the important work required. Our finances are sound and our staff is doing excellent work to support our decision making and we are also working closely with California's Health Care Access and Information (HCAI) agency.

Retrofit/Modernization vs. New Facility

The Board received cost estimates for a new facility in July, 2023 from Devenney Group. The rediscovery of the document reveals that the cost of the new facility was estimated at that time as between \$184 M and \$210 M. Even without accounting for the increased costs due to inflation since July 2023, it appears to be well beyond the current reach of the District's funding.

Community Outreach

I presented June 12 to the Fort Bragg Rotary Club. I am scheduled to present to the CMAR – coast realtors this Friday at Noon.

We are looking for opportunities to communicate to more community groups. If you know of a group that is meeting and would be interested in learning about our work with the hospital, please let us know. You can either call, text or email Kathy Wylie or myself.

- Kathy Wylie, District Manager, 707.962.3175 [info@mendocinohcd.gov](mailto:info@mendocinohcd.gov)
- Paul Garza, Chair, Board of Directors, 714.348.9844