

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

MEMORANDUM

TO: MCHCD Board of Directors

FROM: Paul Garza, Jr.

DATE: May 12, 2026

SUBJECT: Monthly Report

Status of Seismic Retrofit and Modernization

The application to the City of Fort Bragg, Planning Department for the seismic retrofit has been submitted. Our proposed project was previously submitted to the State's Health Care Access and Information (HCAI). Aside from these, we may also need approval from the California Coastal Commission. The entire process may take as long as 12-14 months but we are hopeful for a shorter timeline. Survey work that is required before construction can be started is now being done so that as soon as the permits are obtained, it is anticipated that construction can begin.

HR 1

County governments in California have analyzed the impact of HR1 – the 'Big Beautiful Bill' - and in each case they are disheartening.

- A study conducted by the County of Monterey indicates some very major concerns about the upcoming implementation of HR 1. Most importantly, it projects the impact, both social and financial, on the County resulting from the loss of Medicare and MediCal coverage for residents. The County of Monterey has a more vibrant economy than ours so we can expect the impact on Mendocino County to be even more dramatic.
<https://www.facebook.com/MontereyCoInfo/videos/1602190734188862>
- Neighboring Lake County is one of the State's counties that is most dependent on federal funding. The impact has already begun with cuts to nutrition programs. A recent article details these.
<https://lakeconews.com/84187-federal-h-r-1-cuts-threaten-lake-county-health-care-food-aid-and-fiscal-stability>
- Lastly, and most relevant to us, the County of Mendocino has reported to the California Senate our anticipated impacts. Attached is the analysis submitted on March 31, 2026 to the Senate Committee as the County's HR 1 Budget Request. A short look tells us the

impacts are devastating to the survival of county government and to the economy of our County.

What is Wrong with the Health Care in the U.S.

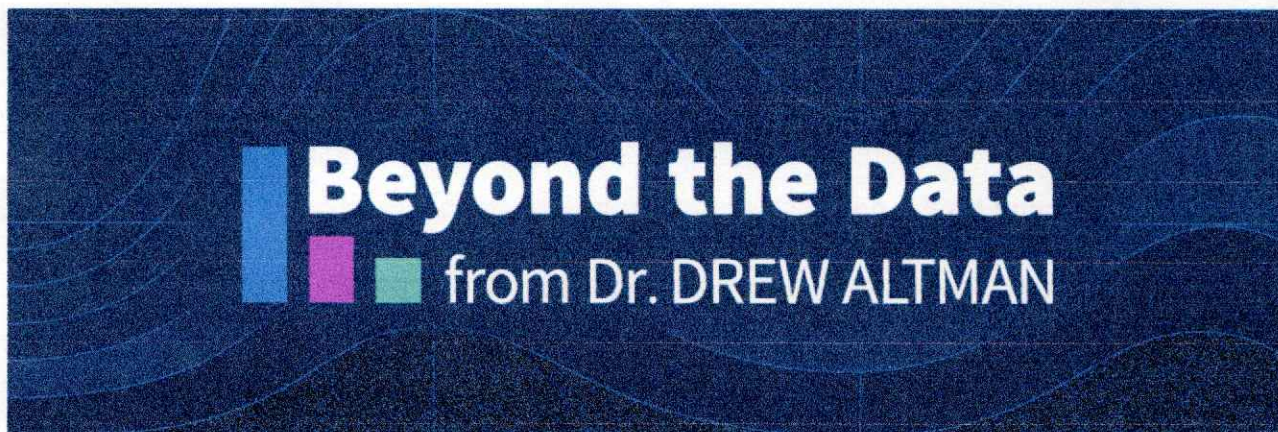
In the attached short summary by Dr. Drew Altman and published by the Kaiser Family Foundation (not affiliated with Kaiser Permanente) gives a quick but profound overview of what is wrong with our health care system. He cites both the expense of our system that causes many to struggle with medical bills, the 27 Million currently uninsured and the expected growth to 40 Million next January as a result of HR 1 or the “Big, Beautiful Bill”, the primary care crisis the ‘broken’ politics of health care and other factors. It is a short, valuable read. (Attached)

Kaiser Family Foundation Poll

In a recent poll 61% of voters say that health care would have a major impact on how they vote in November.

Information on Measure A

This very significant, local workforce initiative is on the June ballot. If approved by the voters, it would enable Mendocino College to replace dilapidated temporary buildings on the Ukiah Campus that currently house Nursing and Allied Health and build state-of-the-art labs for student education enabling the growth in the number of students served and improving the quality of the instruction of these programs. It will also enable a new center for training fire fighters in Willits and will replace the aging and damaged buildings at the Coast Center.



In his "Beyond the Data" columns, CEO Drew Altman discusses what the data, polls, and journalism produced by KFF mean for policy and for people, and also occasionally comments on important work others have done that hasn't received enough attention. [Read and share](#) Drew's column on kff.org.

A One-Pager on What's Wrong with U.S. Health Care

The other day, I was asked for a one-pager on what's wrong with the U.S. health system. "Just one page." To my amazement, with our thousands of fact sheets and policy briefs and even our [Health Policy 101](#), we didn't have anything short or current, nor could I find one elsewhere to send along. The closest we came was this 2022 [policy brief](#). So, while this isn't my usual column about current issues, and it's only about problems, not the reasons for them or solutions, it might be useful to some of you.

First, our health system is not affordable, either for people or for the country. About a quarter of the public [struggle](#) with their medical bills and the numbers [rise sharply](#) for people with chronic illnesses or major diseases who need a lot of care. About 100 million deal with [medical debt](#). We spend almost [twice per capita](#) what other wealthy nations spend, putting pressure on other national priorities and for employers on wages.

Despite progress, we still have 27 million people who are uninsured, and according to projections from the Congressional Budget Office, cuts in the One Big Beautiful Bill will bring that total to about [40 million](#) if the cuts aren't reversed.

The system is beyond complex and challenging to navigate. The poster child of this is prior authorization review, which almost everyone hates. People tell us on surveys that it's their [single greatest problem](#) getting care.

As is well known, although we spend much more than other wealthy nations, our health outcomes [lag behind](#) theirs in most cases. There are a lot of different ingredients in that stew, but our well-heeled health system has not lifted our health outcomes.

Trust in health professionals remains strong, but trust in critical agencies such as the Centers for Disease Control and Prevention and the Food and Drug Administration is at a [low point](#). The agencies take it on the chin for different reasons from both Democrats and

Republicans. If we have another COVID-like crisis, we'll pay a big price for that; national emergencies, like wars, cannot be handled state by state.

If I were to nominate one more item for the list, it would be the "crisis" in primary care. In many parts of the country, it's just not easily available, and in some, like the Silicon Valley where I live, much of it has been skimmed off to expensive concierge practices with long waiting lists.

Finally, the politics of health care are as broken as the system (and are a reason it is broken). For decades, Democrats and Republicans have not been able to agree on any major solutions to our health care problems and disagree sharply on the role of the federal government in health, forcing us to gravitate to smaller incremental changes where there might be some agreement. They also blow their importance out of proportion. I won't name names in this short piece.

The result: we have neither a competitive health care system nor a regulated one—we have a fragmented, micromanaged health system that fails to control costs and makes both patients and health professionals more miserable than they should be.

Of course, if you have a problem requiring a world-renowned specialist or the very latest drug and can get to and afford her, him, or it, it can be the greatest health system in the world.

More from Drew

Are Health Insurance Companies the Problem?

In [this JAMA Health Forum piece](#) released today, KFF's Larry Levitt examines the criticism that health insurance companies are facing from political leaders, and explores the industry's role in both causing and addressing some of the health systems' biggest problems, including rising costs and prior authorization review.

Want to ensure you're receiving all Beyond the Data columns by Drew? [Sign up.](#)

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