



SAN BENITO COUNTY AGENDA ITEM TRANSMITTAL FORM

Betsy Dirks
District No. 1

Kollin Kosmicki
District No. 2
Vice Chair

Peter Hernandez
District No. 3
Chair

Bob Tiffany
District No. 4

Bea Gonzales
District No. 5

Item Number: 3.2

MEETING DATE: 12/13/2022

DEPARTMENT: BOARD OF SUPERVISORS

AGENDA ITEM PREPARER: Dulce Alonso

DEPT HEAD/DIRECTOR: Ray Espinosa

SUBJECT:

BOARD OF SUPERVISOR'S

Receive informational presentation from Hazel Hawkins Hospital on operational, financial, and the impacts of a possible Chapter 9 bankruptcy on the health care district and this community.

SBC FILE NUMBER: 30

AGENDA SECTION:

REGULAR AGENDA

BACKGROUND/SUMMARY:

Hazel Hawkins Memorial Hospital, established in 1907, is licensed as General Acute Care Hospital currently operating with Critical Access Hospital designation. The San Benito Health Care District, formed in 1958, operates according to Health and Safety Code, Section 32000-32492. The District is governed by a five-member Board of Directors elected for four years.

A Chief Executive Officer is responsible for administrative functions. The Chief Executive Officer heads a staff of 745 employees, 41 Active physicals, and 25 acute care.

The District office is located in the City of Hollister and is primarily funded by charges for service, property taxes, investments, grants, and other contributions.

District boundaries are almost countywide, excluding a tiny portion of Aromas in the northwest area of the County and the Bitterwater area in the southerly most of the County.

District Services

The District provides a range of hospital and health care services, with the only Hospital serving San Benito County. The District also operates two Skilled Nursing Facilities, four rural health clinics, four satellite lab draw stations/specimen drop-off sites, and two specialty centers (orthopedic and multispecialty). Services include inpatient medical, 24-hour emergency, intensive care unit, birthing center, outpatient laboratory, home health care, infusion, palliative care program, outpatient physical therapy program, outpatient diagnostic imaging center, inpatient surgery, and ambulatory surgery.

District's Mission Statement:

The San Benito Health Care District is a public agency that serves as a responsive, comprehensive healthcare resource for its patients, physicians, and healthcare consumers of the community.

The District's Vision Statement:

The San Benito Health Care District is committed to meeting community healthcare needs with quality care in a safe and compassionate environment.

On November 4, 2022, the San Benito Healthcare District dba Hazel Hawkins Memorial Hospital (the "District") approved a Declaration of a Fiscal Emergency. A copy of the District resolution is Attached.

Request

The District requests an emergency loan from the County for \$10 million. The loan is required to stabilize cash flow. The District is requesting \$10 million loan to add to the \$3 million currently pending with the Executive Director of the California Health Facilities Financing Authority "CHFFA", please review the attached proposal for additional details.

RESOLUTION OR ORDINANCE NEEDED FOR THIS ITEM:

No

CONTRACT NEEDED FOR THIS ITEM:

No

CONTRACT AND RFP HISTORY:

N/A

LAST CONTRACT AMOUNT OR N/A:

N/A

STATE IF THIS IS A NEW CONTRACT/ HOW MANY PAST AMENDED CONTRACTS/ OR N/A:

N/A

STRATEGIC PLAN GOALS: 1. Operational Development & Excellence

Yes

STRATEGIC PLAN GOALS: 2. Planning And Sustainable Growth

Yes

STRATEGIC PLAN GOALS: 3. Technology

No

STRATEGIC PLAN GOALS: 4. Community Engagement

Yes

STRATEGIC PLAN GOALS: 5. Health & Safe Community

Yes

BUDGETED:

N/A

BUDGET ADJUSTMENT NEEDED:

No

SOURCE OF FUNDING:

N/A

UNFUNDED MANDATE:

N/A

SBC BUDGET LINE ITEM NUMBER:

N/A

CURRENT FY COST:

N/A

STAFF RECOMMENDATION:

Accept informational presentation from Hazel Hawkins Hospital on operational, financial, and the impacts of a possible Chapter 9 bankruptcy on the health care district and this community.

ATTACHMENTS:

[The San Benito Health Care District presentation](#)

[SBHCD - Request for Funding to County of San Benito \(12-5-22\)-FINAL](#)

[San Benito Health Care District- Resolution NO. 2022-21 Declaring a Fiscal Emergency and Vesting Authority Chapter 9 - 11.4.22](#)

[HHH Fast Facts - FYE 2022](#)

[letter-to-patients-08.04.22_Hazel \(002\)](#)