

**MODOC  
LOCAL AGENCY FORMATION COMMISSION  
(LAFCo)**

**DRAFT**

**LAST FRONTIER  
HEALTHCARE DISTRICT (LFHD)  
MUNICIPAL SERVICE REVIEW (MSR)  
SPHERE OF INFLUENCE (SOI)**

*Adopted*  
**October 22, 2019**

*Service Review: Resolution 2019-0003*

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## **1 INTRODUCTION**

### **1.1 Local Agency Formation Commission (LAFCo) History**

This report is prepared pursuant to State legislation enacted in 2000 that requires Modoc LAFCo to complete a comprehensive review of municipal service delivery and update the spheres of influence (SOIs) of all agencies under LAFCo's jurisdiction. This chapter provides an overview of LAFCo's history, powers and responsibilities. It discusses the origins and legal requirements for preparation of a Service Review commonly referred to as a Municipal Service Review (MSR). Finally, the chapter reviews the process for MSR review, MSR approval and SOI updates.

After World War II, California experienced dramatic growth in population and economic development. With this boom came a demand for housing, jobs and public services. To accommodate this demand, many new local government agencies were formed, often with little forethought as to the ultimate governance structures within a given region. A lack of coordination and adequate planning led to a multitude of overlapping, inefficient jurisdictional and service area boundaries, many of which resulted in the premature conversion of California's agricultural and open-space lands and duplication of services.

Recognizing this problem, in 1959, Governor Edmund G. Brown, Sr. appointed the Commission on Metropolitan Area Problems. The Commission's charge was to study and make recommendations on the "misuse of land resources" and the growing complexity of local governmental jurisdictions. The Commission's recommendations on local governmental reorganization were introduced in the Legislature in 1963; resulting in the creation of a Local Agency Formation Commission, or "LAFCo," operating in every county.

LAFCo was formed as a countywide agency to discourage urban sprawl and to encourage the orderly formation and development of local government agencies within its jurisdiction. LAFCo is responsible for coordinating logical and timely changes in local governmental boundaries; including annexations and detachments of territory, incorporations of cities, formations of special districts, and consolidations, mergers and dissolutions of districts, as well as reviewing ways to reorganize, simplify, and streamline governmental structure.

The Commission's efforts are focused on ensuring services are provided efficiently and economically while agricultural and open-space lands are protected or conserved to the extent possible. To better inform itself and the in compliance with the State Law; LAFCo conducts MSR's to evaluate the provision of municipal services for service providers within its jurisdiction.

LAFCo regulates, through approval, denial, conditions and modification, boundary changes proposed by public agencies or individual voters and landowners. It also regulates the extension of public services by cities and special districts outside their boundaries. LAFCo is empowered to initiate updates to the SOIs and proposals involving the dissolution, consolidation or formation of special districts, establishment of subsidiary districts, and any reorganization including such actions. Where LAFCo is not given specific authority, LAFCo actions must originate as petitions from affected voters or landowners, or by resolutions by affected cities or special districts.

A Plan for Services is required in Government Code Section 56653. A Plan for Services must include the following information: An enumeration and description of services to be provided, the level and range of those services, an indication of how those services are to be extended into the territory, an indication of any improvements or upgrading of structures, Information on how the services are to be financed.

### **1.2 Preparation of the MSR**

Research for this Municipal Service Review (MSR) was conducted during the spring of 2019. This MSR is intended to support preparation and update of Spheres of Influence, in accordance with the provisions of the Cortese-Knox-Hertzberg Act. The objectives of this Municipal Service Review (MSR) are as follows:

- ✓ To develop recommendations that will promote more efficient and higher quality service options and patterns
- ✓ To identify areas for service improvement
- ✓ To assess the adequacy of service provision as it relates to determination of appropriate sphere boundaries

While LAFCo prepared the MSR document, given budgetary constraints, LAFCo did not engage the services of experts in engineering, hydrology, geology, water quality, fire protection, accounting or other specialists in related fields, but relied upon published reports and available information. Insofar there is conflicting or inconclusive information LAFCo staff may recommend the district retain a licensed professional or expert in a particular field for an opinion.

Therefore, this MSR reflects LAFCo's recommendations, based on available information during the research period and provided by District staff to assist in its determinations related to promoting more efficient and higher quality service patterns; identifying areas for service improvement; and assessing the adequacy of service provision by the Last Frontier Healthcare District. Additional information regarding local government funding issues is found in Appendix A at the end of this report.

### **1.3 Role and Responsibility of LAFCo**

Local Agency Formation Commissions (LAFCOs) in California are independent agencies created by the California Legislature in 1963 for the purpose of encouraging the orderly formation of local government agencies and conserving and preserving natural resources. The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code §56000 et seq.) is the statutory authority for the preparation of an MSR, and periodic updates of the Sphere of Influence (SOI) of each local agency.

LAFcos are responsible for coordinating logical and timely changes in local governmental boundaries, conducting special studies that review ways to reorganize, simplify, and streamline governmental structure, preparing a review of services called a MSR, and preparing a SOI thereby determining the future “probable” boundary for each city and special district within each county.

The Commission's efforts are directed toward seeing that services are provided efficiently and economically while agricultural and open-space lands are protected. Often citizens are confused as to what LAFco's role is. LAFcos do not have enforcement authority nor do they have the authority to initiate a city or district annexation or detachment proceeding. LAFcos may initiate consolidation or dissolution proceedings; however, these proceedings are subject to the voter approval or denial.

The Legislature has given LAFcos the authority to modify any proposal before it to ensure the protection of agricultural and open space resources, discourage urban sprawl and promote orderly boundaries and the provision of adequate services.

The Governor's Office of Planning and Research (OPR) has issued Guidelines for the preparation of a MSR. This MSR adheres to the procedures set forth in OPR's MSR Guidelines.

A SOI is a plan for the probable physical boundaries and service area of a local agency, as determined by the affected Local Agency Formation Commission (Government Code §56076). Government Code §56425(f) requires that each SOI be updated not less than every five years, and §56430 provides that a MSR shall be conducted in advance of the SOI update.

#### **1.4 Municipal Services Review Requirements**

Effective January 1, 2001 and subsequently amended, LAFco is required to conduct a review of municipal services provided in the county by region, sub-region or other designated geographic area, as appropriate, for the service or services to be reviewed, and prepare a written statement of determination with respect to each of the following six topics (Government Code §56430):

1. Growth and population projections for the affected area
2. The location and characteristics of any disadvantaged unincorporated communities (DUC) within or contiguous to the sphere of influence
3. Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies
4. Financial ability of agencies to provide services
5. Status of, and opportunities for shared facilities
6. Accountability for community service needs, including governmental structure and operational efficiencies

### **1.5 Municipal Services Review Process**

For local agencies, the MSR process involves the following steps:

- Outreach: LAFCo outreach and explanation of the project
- Data Discovery: provide documents and respond to LAFCo questions
- Map Review: review and comment on LAFCo draft map of the agency's boundary and sphere of influence
- Profile Review: internal review and comment on LAFCo draft profile of the agency
- Public Review Draft MSR: review and comment on LAFCo draft MSR
- LAFCo Hearing: attend and provide public comments on MSR

MSRs are exempt from California Environmental Quality Act (CEQA) pursuant to §15262 (feasibility or planning studies) or §15306 (information collection) of the CEQA Guidelines. LAFCo's actions to adopt MSR determinations are not considered "projects" subject to CEQA. The MSR process does not require LAFCo to initiate changes of organization based on service review findings, only that LAFCo identify potential government structure options.

However, LAFCo, other local agencies, and the public may subsequently use the determinations to analyze prospective changes of organization or reorganization or to establish or amend SOIs. Within its legal authorization, LAFCo may act with respect to a recommended change of organization or reorganization on its own initiative (e.g., certain types of consolidations), or in response to a proposal (i.e., initiated by resolution or petition by landowners or registered voters).

Once LAFCo has adopted the MSR determinations, it must update the SOI for each jurisdiction. The LAFCo Commission determines and adopts the spheres of influence for each agency. A CEQA determination is made by LAFCo on a case-by-case basis for each sphere of influence action and each change of organization, once the proposed project characteristics are sufficiently identified to assess environmental impacts.

### **1.6 Sphere Of Influence Update Process**

The Commission is charged with developing and updating the Sphere of Influence (SOI) for each city and special district within the county.<sup>1</sup>

An SOI is a LAFCo-approved plan that designates an agency's probable future boundary and service area. Spheres are planning tools used to provide guidance for individual boundary change proposals and are intended to encourage efficient provision of organized community services and prevent duplication of service delivery. Territory cannot be annexed by LAFCo to a city or district unless it is within that agency's sphere.

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<sup>1</sup> The initial statutory mandate, in 1971, imposed for no deadline for completing sphere designations. When most LAFCos failed to act, 1984 legislation required all LAFCos to establish spheres of influence by 1985.

The purposes of the SOI include the following:

- to ensure the efficient provision of services
- to discourage urban sprawl and premature conversion of agricultural and open space lands
- to prevent overlapping jurisdictions and duplication of services

LAFCo may not directly regulate land use, dictate internal operations or administration of any local agency, or set rates. LAFCo is empowered to enact policies that indirectly affect land use decisions. On a regional level, LAFCo promotes logical and orderly development of communities as it considers and decides individual proposals. LAFCo has a role in reconciling differences between agency plans so that the most efficient urban service arrangements are created for the benefit of current and future area residents and property owners.

The Cortese-Knox-Hertzberg (CKH) Act requires LAFCOs to develop and determine the SOI of each local governmental agency within its jurisdiction and to review and update the SOI every five years, as necessary. LAFCOs are empowered to adopt, update and amend a SOI. They may do so with or without an application. Any interested person may submit an application proposing an SOI amendment.

While SOIs are required to be updated every five years, as necessary, this does not necessarily define the planning horizon of the SOI. The term or horizon of the SOI is determined by each LAFCo.

LAFCo may recommend government reorganizations to particular agencies in the county, using the SOIs as the basis for those recommendations. In determining the SOI, LAFCo is required to complete an MSR and adopt the six determinations previously discussed. In addition, in adopting or amending an SOI, LAFCo must make the following five determinations as required in Government Code section 56425(c):

1. Present and planned land uses in the area, including agricultural and open-space lands
2. Present and probable need for public facilities and services in the area
3. Present capacity of public facilities and adequacy of public service that the agency provides or is authorized to provide
4. Existence of any social or economic communities of interest in the area if the Commission determines these are relevant to the agency
5. For an update of an SOI of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.<sup>2</sup>

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<sup>2</sup> California Government Code Section 56425 (e)(5)



The CKH Act stipulates several procedural requirements in updating SOIs. It requires cities to file written statements on the class of services to be provided and LAFCo must clearly establish the location, nature and extent of services provided by special districts.

By statute, LAFCo must notify affected agencies 21 days before holding the public hearing to consider the SOI and may not update the SOI until after that hearing. The LAFCo Executive Officer must issue a report including recommendations on the SOI amendments and updates under consideration at least five days before the public hearing.

### **1.7 Possible Approaches to the Sphere of Influence**

LAFCo may recommend government reorganizations to particular agencies in the county, using the SOIs as the basis for those recommendations. Based on review of the guidelines of Modoc LAFCo as well as other LAFCos in the State, various conceptual approaches have been identified from which to choose in designating an SOI. These seven approaches are explained below:

1) Coterminous Sphere:

A Coterminous Sphere means that the Sphere of Influence for a city or special district that is the same as its existing boundaries of the city or district. This is the recommendation for the Last Frontier Healthcare District.

2) Annexable Sphere:

A sphere larger than the agency's boundaries identifies areas the agency is expected to annex. The annexable area is outside the district boundaries and inside the sphere of influence.

3) Detachable Sphere:

A sphere that is smaller than the agency's boundaries identifies areas the agency is expected to detach. The detachable area is the area within the agency bounds but not within its sphere of influence.

4) Zero Sphere:

A zero sphere indicates the affected agency's public service functions should be reassigned to another agency and the agency should be dissolved or combined with one or more other agencies.

5) Consolidated Sphere:

A consolidated sphere includes two or more local agencies and indicates the agencies should be consolidated into one agency.

6) Limited Service Sphere:

A limited service sphere is the territory included within the SOI of a multi-service provider agency that is also within the boundary of a limited purpose district which provides the same service (e.g., fire protection), but not all needed services. Territory designated as a limited service SOI may be considered for annexation to the limited purpose agency without detachment from the multi-service provider.

This type of SOI is generally adopted when the following conditions exist:

- a) The limited service provider is providing adequate, cost effective and efficient services
- b) The multi-service agency is the most logical provider of the other services
- c) There is no feasible or logical SOI alternative
- d) Inclusion of the territory is in the best interests of local government organization and structure in the area

Government Code §56001 specifically recognizes that in rural areas it may be appropriate to establish limited purpose agencies to serve an area rather than a single service provider, if multiple limited purpose agencies are better able to provide efficient services to an area rather than one service district.

Moreover, Government Code Section §56425(i), governing sphere determinations, also authorizes a sphere for less than all of the services provided by a district by requiring a district affected by a sphere action to “establish the nature, location, and extent of any functions of classes of services provided by existing districts” recognizing that more than one district may serve an area and that a given district may provide less than its full range of services in an area.

### ***1.8 Description of Public Participation Process***

The LAFCo proceedings are subject to the provisions of California’s open meeting law, the Ralph M. Brown Act (Government Code Sections 54950 et seq.). The Brown Act requires advance posting of meeting agendas and contains various other provisions designed to ensure that the public has adequate access to information regarding the proceedings of public boards and commissions. Modoc LAFCo complies with the requirements of the Brown Act.

The State MSR Guidelines provide that all LAFCOs should encourage and provide multiple public participation opportunities in the MSR process.

### ***1.9 Background--Healthcare Districts in California***

#### ***1.9.1 Hospital Districts (Healthcare Districts)***

Hospital districts in California began forming in the mid-1940’s to fund construction and operation of hospitals in both rural and urbanizing areas. Districts were given the authority to levy taxes and issue bonds for this purpose. Over time, Healthcare costs increased and reimbursement from insurance and federal and state sources became more restricted.

These changes in both costs and funding combined with advances in medicine and technology that reduced length of hospital stays resulted in Healthcare focus shifting from hospital operation to include outpatient services. Over time, district boards became increasingly concerned about the ability of districts to compete for managed care as well

as staffing; and, either divested of hospitals or formed partnerships with private hospital operators.

Key events related to changes in hospital districts include the following:

- Proposition 13 which resulted in a designated share of property tax revenues for Healthcare Districts
- In 1993, the Legislature amended hospital district enabling legislation renaming hospital districts “Healthcare districts” and expanding the definition of Healthcare facilities to reflect changes in medical practice in which Healthcare was taking place more and more as an outpatient service.
- In 1994, the legislature also established seismic safety standards for hospitals requiring compliance by 2013 and in most cases replacement of existing hospitals, which is happening with the Last Frontier Healthcare District.

### **1.9.2 Healthcare District Services Permitted by Enabling Legislation**

A summary of services authorized by California Health & Safety Code Section 32000 et seq. for Healthcare Districts follows:

- A. Establish, maintain, operate, and assist in operation of:
  1. Healthcare facilities as defined in Health & Safety Code 1250 and Gov. Code 15432
  2. Clinics as defined in Health & Safety Section 1204
  3. Nurses’ Training School (Health and Safety Code 32124)
  4. Child Care Facility for the benefit of employees of a facility or residents of the District
  5. Outpatient programs, services and facilities
  6. Retirement program, services and facilities
  7. Chemical Dependency programs, services and facilities
  8. Other Healthcare programs, services and facilities and activities at any location within or without the district for the benefit of the district and the people served by the district
- B. Pursuant to Health and Safety Code 32121(I) the power to acquire, maintain and operate ambulances or ambulance services within and without the district

- C. Pursuant to Health and Safety Code 32121(m), the power to establish, maintain and operate or provide assistance in the operation of:
  - 1. Free Clinics
  - 2. Diagnostic and testing centers
  - 3. Health education programs
  - 4. Wellness and prevention programs
  - 5. Rehabilitation, aftercare, and any other Healthcare service provider, groups and organizations that are necessary for the maintenance of good physical and mental health in the communities served by the district.
- D. Pursuant to Health and Safety Code 32121(o), the power to establish, maintain and carry on its activities through corporations, joint ventures, or partnerships for the benefit of the district
- E. Pursuant to Health and Safety Code 32126.5(a)(1) the power to enter into contracts with health provider groups, community service groups, independent physicians and surgeons and independent podiatrists, for the provision of Healthcare services
- F. Pursuant to Health and Safety Code 32126.5(a) (2) the ability to provide assistance or make grants to nonprofit provider groups and clinics already functioning in the community.
- G. Pursuant to Health and Safety Code 32126.5(a) (3), the power to finance experiments with new methods of providing adequate Healthcare. Healthcare Districts and Indigent Care:

Enabling legislation for Healthcare District also provides that:

*“A district shall not contract to care for indigent county patients at below the cost for care. In setting the rates the board shall, insofar as possible, establish rates as will permit the district Healthcare facilities to be operated upon a self-supporting basis. The board may establish different rates for residents of the district than for persons who do not reside within the district.”* [Health and Safety Code Section 32125(b)]

## **2 MODOC COUNTY**

### **2.1 Modoc County History**

Prior to the arrival of Europeans in the region, varying cultures of Native Americans inhabited the county for thousands of years. At the time of European encounter, the Modoc people lived in what is now northern California, near Lost River and Tule Lake. The County was named after them. Modoc County was formed when Governor Newton Booth signed an Act of the California Legislature on February 17, 1874 after residents of the Surprise Valley region of Modoc County lobbied for the creation of a new county from eastern Siskiyou County land.

As of the 2010 Census the population in Modoc County was 9,686. The county seat and only incorporated city is Alturas. A large portion of Modoc County is federal land. Several federal agencies, including the United States Forest Service, Bureau of Land Management, National Park Service, Bureau of Indian Affairs, and the US Fish and Wildlife Service, have employees assigned to the area, and their operations are a significant part of the area's economy and services.

The County's official slogans include "The last best place" and "Where the West still lives".

### **2.2 Modoc County Population Data**

The following table shows that Modoc County is declining in population, especially compared to the State of California which is gaining population. A smaller population makes it more difficult for medical services to have sufficient population for an economical business.

	<b>POPULATION<sup>3</sup></b>	<b>Modoc County</b>	<b>California</b>
Population estimates, July 1, 2019		9,602	39,927,318
Population estimates base, April 1, 2010		9,686	37,254,523
Population, percent change - April 1, 2010 to July 1, 2019		-.867%	+6.69%

The age distribution of residents in Modoc County is different from the State of California. There are fewer young people and a higher percentage of elderly people. The average household size in Modoc County as of January 1, 2019 was 2.15 persons per household, and the vacancy rate was 18.2%<sup>4</sup>

	<b>AGE DISTRIBUTION<sup>5</sup></b>	<b>Modoc County</b>	<b>California</b>
Persons under 5 years, percent		4.5%	6.3%
Persons under 18 years, percent		18.9%	22.9%
Persons 65 years and over, percent		26.5%	13.9%

<sup>3</sup> US Census Bureau, <https://www.census.gov/quickfacts/fact/table/modoccountycalifornia,ca/PST045218>, April 30, 2019

<sup>4</sup> State of California, Department of Finance, Table E-5 January 1, 2019.

<sup>5</sup> US Census Bureau, <https://www.census.gov/quickfacts/fact/table/modoccountycalifornia,ca/PST045218>, April 30, 2019

In Modoc County there is a greater percentage of people with a disability who may need medical care but a smaller percentage of people with health insurance and employment to pay for medical care compared to the State of California.

<b>DISABILITY, INSURANCE AND LABOR FORCE<sup>6</sup></b>	<b>Modoc County</b>	<b>California</b>
With a disability, under age 65 years, percent, 2013-2017	11.0%	6.9%
Persons without health insurance, under age 65 years, percent	10.5%	8.1%
In civilian labor force, total, percent of population age 16 years+, 2013-2017	46.5%	63.0%

The Median Household Income is the measure used to determine if a community is disadvantaged. If a community has a Median Household Income (MHI) lower than 80% of the State Median Household Income (\$53,735) then the community is disadvantaged. Clearly, Modoc County is a disadvantaged area with a low Median Household Income of \$39,296. Being less than 60% of the state MHI of 42,988 would qualify Modoc County as being severely disadvantaged.

<b>MEDIAN HOUSEHOLD INCOME<sup>7</sup></b>	<b>Modoc County</b>	<b>California</b>
Median household income (in 2017 dollars), 2013-2017	\$39,296	\$67,169
Per capita income in past 12 months (in 2017 dollars), 2013-2017	\$22,052	\$33,128
Persons in poverty, percent	19.2%	13.3%

### **2.3 Healthcare in Modoc County**

#### **2.3.1 Canby Clinic, Canby California**

In addition to the facilities operated by the Last Frontier and the Surprise Valley Healthcare districts in Modoc County (note effective January 1, 2020, the Canby Clinic will be operated by the LFHD), there is a clinic located in Canby operated by ISOT (In Search of Truth) as follows and will be operated by the Last Frontier Healthcare District on January 1, 2020 also.

Canby Family Practice Clinic<sup>8</sup> Family Medicine Practice  
 670 County Rd 83, Canby, California 96015  
 Phone: (530) 233-4641 [canbyclinic.org](http://canbyclinic.org)

This clinic provides the following services:

Family Medicine Practice      Dentist & Dental Office      Family Doctor  
 Hours 8:00 AM - 12:00 PM, 1:00 PM - 5:00 PM

<sup>6</sup> US Census Bureau, <https://www.census.gov/quickfacts/fact/table/modoccountycalifornia,ca/PST045218>, April 30, 2019

<sup>7</sup> US Census Bureau, <https://www.census.gov/quickfacts/fact/table/modoccountycalifornia,ca/PST045218>, April 30, 2019

<sup>8</sup> <https://www.facebook.com/CanbyclinicCA/>, May 1, 2019.

### ***2.3.2 Goose Lake Medical Clinic, Alturas, California***

The Goose Lake Medical Clinic at 535 S. Main Street, Alturas, CA (Phone 530-233-2288) is associated with the Lakeview Hospital in Oregon and provides out-patient services.<sup>9</sup>

### ***2.3.3 Emergency Medical Care***

The rural fire departments in Modoc County will provide for emergency medical services to the extent that they are trained and available.

The Southern Cascade CSD provides for emergency medical transport for Adin and Lookout in Modoc County and the Big Valley and Termo areas of Lassen County including Bieber and Nubieber. The services provided by the Southern Cascade CSD<sup>10</sup> are Ground and Air EMS Services through Partnerships with Sierra Medical Services Alliance and Air Methods. There are twenty or more employees of the partner groups and four part-time employees work directly for the SCCSD.

The Southern Cascade Community Services District has adopted the following Mission Statement:

*“To Be The Provider Of Integrated Out-Of-Hospital Care Services And Patient Transportation For Our Communities With Emphasis On Education And Partnerships”.*

The Southern Cascade Community Services District has met its goal as follows:

911 ALS Ambulance Service began March 13, 2017  
EMS Helicopter was placed in Operation May 1, 2017

The Southern Cascade Community Services District reports the following use of the services:<sup>11</sup>

1. During the first six months of operation the Ground Ambulance had 74 calls for service and 55 transports.
2. During the first eight months of Helicopter Transport there were 148 Flight transports.

The Southern Cascade CSD had relied on SEMSA but this organization has left the area and no longer provide services to the District.<sup>12</sup> The District is in the process of negotiating an Agreement with Air Methods to continue to provide full Advanced Life Support Services.

## ***2.4 Healthcare near Modoc County***

### ***2.4.1 Hospitals***

<sup>9</sup> <https://www.ehealthscores.com/providers/lzd-lswxfcpwg/GOOSE-LAKE-MEDICAL-SERVICES-INC..html>, May 1, 2019.

<sup>10</sup> Lassen Local Agency Formation Commission, Southern Cascade Community Services District MSR and SOI, January 2018.

<sup>11</sup> SCCSD, Dan Bouse District Manager, Email: [manager@southerncascades.org](mailto:manager@southerncascades.org), January 9, 2018.

<sup>12</sup> Modoc LAFCo, Executive Officer John Benoit, April 30, 2019.

A. Mayers Memorial Hospital, Fall River Mills, CA

Mayers Memorial Hospital is located at 43563 Highway 299 East, Fall River Mills, California 96028, P: 530-336-5511. This hospital is located approximately one hour and twenty minutes from Alturas and one hour and forty minutes from Cedarville.

*Mayers Memorial Hospital Services include the following:*<sup>13</sup>

24/7 ER	Acute Care	Cardiac Rehab	CPR Classes
Dietary	Hospice	Imaging	Laboratory
Outpatient Services	Pharmacy	Physical Therapy	Rehabilitation
Respiratory Therapy	Skilled Nursing	Surgery	Telemedicine

B. Lakeview Hospital, Lakeview, Oregon

Lake Health District, 700 South J Street, Lakeview, Oregon 97630, 541-947-2114, provides general medical and surgical care for inpatient, outpatient, and emergency room patients, and participates in the Medicare and Medicaid programs. Lakeview Hospital is a one hour drive from Alturas and a one hour fifteen minute drive from Cedarville. The District website states the following:<sup>14</sup>

*Lake District Hospital serves both Lake and Modoc Counties. Lake District Hospital is a critical access hospital with state-of-the-art Emergency and Trauma Departments and is also a teaching facility.*

*“We have a team of exceptional certified surgery physicians and staff. Our facility has large private and semi-private rooms with individual bathroom facilities. We consistently reach high rankings in patient satisfaction”.*

*Our services include:*

<i>Inpatient &amp; Outpatient services</i>	<i>Acute care</i>
<i>Cardiopulmonary</i>	<i>Cardiac Monitoring</i>
<i>Dietary</i>	<i>Emergency Department</i>
<i>Home Health &amp; Hospice</i>	<i>Infusion Services</i>
<i>Laboratory</i>	<i>Long Term Care through Lakeview Gardens</i>
<i>Obstetrics &amp; Pediatrics</i>	<i>Pharmacy</i>
<i>Pulmonary Rehabilitation</i>	<i>Radiology</i>
<i>Rehabilitation Services</i>	

C. Surprise Valley Healthcare District Cedarville, California

Surprise Valley Healthcare District in Cedarville operates a general medical and surgical facility located at 741 North Main Street, Cedarville, CA 96104.

District Mailing Address: PO Box 246, Cedarville, CA 96104.

Phone: 530-279-6111

E-mail: [admin@svhospital.org](mailto:admin@svhospital.org)

<sup>13</sup> Mayers Memorial Hospital District, <http://www.mayersmemorial.com/getpage.php?name=services&sub=Services>, May 1, 2019.

<sup>14</sup> Lake Health District, <http://www.lakehealthdistrict.org/>, May 1, 2019.



*Services Provided at Surprise Valley Hospital District*

**Direct In-Patient Services:**

Nursing Care for Acute, Emergency, and SNF patients - 24 hour coverage  
Physical Therapy – five days a week for long-term care residents.  
Nutritional Needs - 24 hour coverage

**Direct Out-Patient Services:**

Wound Care - 24 hour coverage  
Telemedicine Consultations - Monday through Thursday, as needed  
Respite Care - 24 hour coverage

Outpatient Rural Health Clinic Services: Monday through Thursday from 8:00 am to 5:00 pm

*Diagnostic and Therapeutic Services:*

Physical Therapy  
Diabetic Teaching  
Prenatal Teaching  
Cardiology Services-one day per month, by appointment only  
Podiatry Services-one day per month, by appointment only  
CHDP Services

*Diagnostic Services:*

X-Ray-Monday through Thursday from 8:00 am to 4:00 pm (Emergency Services-24 hours)

*Laboratory:*

General hematology testing, general chemistry testing, arterial blood gas, prothrombin time-Monday through Thursday from 8:00 am to 5:00 pm (Emergency Services-24 hours)  
Pathology  
Transfusion Service

*Emergency Services:*

Stand-by Emergency Room services - 24 hour coverage  
Physician on duty - 24 hour coverage  
Basic Life Support Ambulance-24 hour coverage

*Skilled Nursing Facility:*

Nursing Care - 24 hour coverage	Physical Therapy
Podiatry	Social Services
Activities	Dietitian

*Ambulance Services*

Surprise Valley Healthcare District provides ambulance services 24 hours a day, 365 days a year for the residents of Surprise Valley. Day or night, rain or shine - even through the snow, dedicated EMT's volunteer their time to respond throughout the valley for any medical or trauma emergencies.

Surprise Valley Ambulance relies on grant money and donations for new equipment and ambulances. The EMT's volunteer their time to be on-call. However, they do get paid for any time accrued while out on an ambulance call.

Surprise Valley also relies on First Responders from local fire protection districts. Because of the size of the Valley and the distance that the ambulance must travel, First Responders are often the first people to arrive at the scene of an accident or medical emergency. They are trained in CPR.<sup>15</sup>

## **2.4.2 Area Clinics**

There are other medical clinics in northern California that may provide services to residents of Modoc County. (The list below is indicative of what is available and is not an exhaustive list of all medical providers.)

### **A. Bieber**

Big Valley Health Center<sup>16</sup> (Mountain Valleys Health Centers)  
554-850 Medical Center Drive, Bieber, CA 96009

Medical: 8:00 AM–5:00 PM Mon–Fri. Phone: (530) 294-5241, Fax: (530) 294-5392  
Dental: 8:00 AM–4:30 PM Mon-Thu. Phone: (530) 294-5629, Fax: (530) 294-5120

### **B. Burney**

Burney Health Center (Mountain Valley Health Center Clinic)<sup>17</sup>  
37491 Enterprise Dr., Burney · (530) 335-5457  
Open 9:00 AM - 5:00 PM

Pit River Health Service, Inc. (Indian Health Service)<sup>18</sup>  
36977 Park Ave., Burney · (530) 335-3651

### **C. Mt. Shasta<sup>19</sup>**

Siskiyou Medical Group (Open 8:30 A.M. to 5:00 P.M.)  
824 Pine Street, Mouny Shasta CA Phone: 530-926-4528

Dignity Health Pine Street Clinic (Open 8:00 A.M. to 5:00 P.M.)  
408 Pine Street, Mouny Shasta CA Phone 530-926-7196

### **D. Weed**

Mercy Lake Shastina Community Clinic (Open Monday to Friday 8:00 AM to 5:00 PM)<sup>20</sup>

<sup>15</sup> Surprise Valley Healthcare District, <http://svhospital.org/departments/ambulance.html>, Feb. 1, 2019.

<sup>16</sup> <http://mtnvalleyhc.org/bieber-big-valley-health-center/>, May 1, 2019.

<sup>17</sup> <http://mtnvalleyhc.org/>, May 1, 2019.

<sup>18</sup> <https://www.bing.com/search?q=Pit+River+health+service+burney+ca&form=EDGSPH&mkt=en-us&httpsmsn=1&refig=2317ee5c79364be9948139fb92500817&sp=-1&pq=pit+river+health+service+burney+ca&sc=3-34&qsn=&sk=&cvid=2317ee5c79364be9948139fb92500817>, May 1, 2019.

<sup>19</sup> <https://www.bing.com/search?q=Mt+Shasta+Ca+medical+offices&form=EDGSPH&mkt=en-us&httpsmsn=1&refig=821aee9535074fcca466093d2c022677&sp=-1&pq=mt+shasta+ca+medical+offices&sc=1-28&qsn=&sk=&cvid=821aee9535074fcca466093d2c022677>, May 1, 2019.

16337 Everhart Drive, Weed, CA 96094

*E. Dorris (Mountain Valley Health Center Clinic)*

Butte Valley Health Center, 610 West 3rd Street, Dorris, CA, 96023<sup>21</sup>  
Medical: 8:00 A.M.–5:00 PM Mon–Fri Phone: (530) 397-8411 Fax: (530) 397-4567  
Dental: 8:00 AM – 5:00 PM Mon-Fri Phone: (530) 397-3188 Fax: (530) 397-4567

*F. Tule Lake (Mountain Valley Health Center Clinic)*

Tulelake Health Center: 498 Main Street, Tulelake, CA 96134<sup>22</sup>  
8:00 AM–5:00 PM Mon–Fri  
Walk-In Clinic 1st & 3rd Sat 9:00 AM-2:00 PM  
Phone: (530) 667-2285 Fax: (530) 667-2562

Clinics provide for routine care and medical appointments are not available for emergency medical services or long-term care.

**2.4.3 Joint Powers Intergovernmental Agreement Board (JPA)**

Recently, four local healthcare districts have formed a Joint Powers Intergovernmental Agreement Board. Albeit, the JPA has not met for over a year. The four districts are:<sup>23</sup>

Lake Health District -Lake District Hospital - Lakeview, OR  
Last Frontier Healthcare District - Modoc Medical Center - Alturas, CA  
Mayers Memorial Hospital District- Mayers Memorial Hospital - Fall River Mills, CA  
Surprise Valley Healthcare District - Surprise Valley Hospital - Cedarville, CA

The Board is currently comprised of the following members:

Mike Kern - Chair -	Mayers Memorial Hospital District
Judy Graham - Vice Chair -	Lake Health District
Michael Anderson - Secretary -	Last Frontier Healthcare District
John Erquiaga - Member -	Surprise Valley Healthcare District
Vacant - Member at Large -	Any citizen of the four districts.

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<sup>20</sup> <https://locations.dignityhealth.org/mercy-lake-shastina-community-clinic-weed-ca>, May 1, 2019.

<sup>21</sup> <http://mtnvalleyhc.org/dorris-butte-valley-health-center/>, May 1, 2019.

<sup>22</sup> <http://mtnvalleyhc.org/tulelake-health-center/>, May 1, 2019.

<sup>23</sup> <http://www.modocmedicalcenter.org/last-frontier-healthcare-district/jpia>, April 30, 2019.

### **3 LAST FRONTIER HEALTHCARE DISTRICT**

#### **3.1 Alturas Community**

##### **3.1.1 Alturas History**

Alturas (formerly, Dorris Bridge, Dorris' Bridge, and Dorrisville)<sup>24</sup> is a city in and the county seat of Modoc County. The population was 2,827 at the 2010 Census, a small decrease from 2000 when there were 2,892 residents. Alturas is located on the Pit River east of the center of Modoc County, at an elevation of 4370 feet. As the county seat, the town is a home to regional government offices, including a California Highway patrol office and a state Department of Motor Vehicles office.

##### **3.1.2 Alturas Economy**

Alturas is the headquarters to the Modoc National Forest, the Applegate Field Office of the Bureau of Land Management, the Modoc National Wildlife Refuge and other recreation areas, and is the trade center for the agricultural region, which produces beef, sheep, potatoes, alfalfa and lumber. Despite its abundance of wilderness, recreational opportunities, hunting and fishing resources, and natural environment, tourism is not a major sector of the local economy - largely due to the city's remote location.

Local, State, Federal, and Tribal governments are the largest employers in Alturas. A vibrant timber industry collapsed in the early 1980s due to increased production costs and low market prices for softwood lumber. The Alturas Rancheria, a band of Pit River Indians, operates a small casino just outside the city limits.

##### **3.1.3 Alturas Access**

Alturas is served by US Route 395 and State Route 299. U.S. 395 comes in from the south from Susanville and Reno. State Route 299 comes in from the west from Redding. Both highways merge in Alturas and head out of the city northeast toward to Lakeview Oregon and Cedarville, respectively. The Modoc Subdivision track of the Union Pacific Railroad and the Lake County Railroad (of Lake County Oregon) serve the area. Alturas Municipal Airport is a public-use, general aviation facility located one nautical mile west of the city's central business district.

##### **3.1.4 Alturas Schools**

Modoc Joint Unified School District is a K-12 District which offers an elementary school (Alturas Elementary), a middle school (Modoc Middle School), a high school (Modoc High School), a continuation school (Warner High School), a community day school (High Desert Community Day School), adult education and one small rural school (State Line Elementary School) located in an outlying area.<sup>25</sup>

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<sup>24</sup> Durham, David L. (1998). California's Geographic Names: A Gazetteer of Historic and Modern Names of the State. Clovis, Calif.: Word Dancer Press. p. 351.

<sup>25</sup> [https://mjusd-ca.schoolloop.com/pf4/cms2/view\\_page?d=x&group\\_id=1531973297225&vdid=6si38bbc1xalpm8](https://mjusd-ca.schoolloop.com/pf4/cms2/view_page?d=x&group_id=1531973297225&vdid=6si38bbc1xalpm8), May 6, 2019.

### **3.1.5 Alturas Churches**

The following churches are located in Alturas:<sup>26</sup>

1. Faith Baptist Church, 810 W. Carlos Street, Alturas CA  
Phone: 530-233-2015.
2. GracePoint Church of the Nazarene, 212 S. Main Street, Alturas CA  
Phone 530-233-7500.
3. Federated Community Church, 307 E. 1<sup>st</sup> Street, Alturas CA  
Phone 530-233-2718.
4. Seventh-Day Adventist Church, 300 W. 2<sup>nd</sup> Street, Alturas CA  
Phone 530-233-5777.
5. Sacred Heart Parish, 507 E. 4<sup>th</sup> Street, Alturas CA  
Phone 530-233-2119.

### **3.1.6 Modoc County Library Alturas**

The Modoc County Library main branch is located in Alturas at 212 West Third Street, Alturas, CA 96101 and is open as follows:

Monday: 10am - 5pm                      Tuesday: Noon - 6pm  
Wednesday: Closed                      Thursday: Noon - 7pm  
Friday: 10am - 5pm

### **3.2 Alturas Population Data**

The 2010 Census reported that Alturas had a population of 2,827. The Census reported that 2,814 people (99.5% of the population) lived in households, none lived in non-institutionalized group quarters, and 13 (0.5%) were institutionalized such as in a jail.

There were 1,238 households, out of which 391 (31.6%) had children under the age of 18 living in them, 403 households (32.6%) were made up of individuals and 160 (12.9%) had someone living alone who was 65 years of age or older. The remaining households were two or more adults living together. The average household size was 2.27. There were 753 families (60.8% of all households); the average family size was 2.85.

There were 1,407 housing units of which 691 (55.8%) were owner-occupied, and 547 (44.2%) were occupied by renters. The homeowner vacancy rate was 2.8%; the rental vacancy rate was 7.8%. There were 1,563 people (55.3% of the population) living in owner-occupied housing units and 1,251 people (44.3%) living in rental housing units.

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<sup>26</sup> <https://www.bing.com/search?q=Alturas+Ca+churches&form=EDGSPH&mkt=en-us&httpsmsn=1&refig=b9fa582e673f4e3d9aa7dd4afb3fdae3&sp=-1&pq=alturas+ca+churches&sc=2-19&qsn=&sk=&cvid=b9fa582e673f4e3d9aa7dd4afb3fdae3>, May 6, 2019.

The population was spread out in age as follows:

ALTURAS AGE DISTRIBUTION 2010

Under the age of 18	702 people	24.8%
Aged 18 to 24	219 people	7.7%
Aged 25 to 44	672 people	23.8%
Aged 45 to 64	802 people	28.4%
65 years of age or older	<u>432 people</u>	<u>15.3%</u>
TOTAL	2,827 people	100.0%

The median age was 39.9 years. For every 100 females, there were 92.7 males. For every 100 females age 18 and over, there were 88.6 males.

### **3.3 Last Frontier Healthcare District**

#### **3.3.1 History**

The Last Frontier Healthcare District was formed on October 12, 2010 pursuant to the California Healthcare District law commencing with Health and Safety code section 32000 and operates the Modoc Medical Center (MMC), which was formerly operated by Modoc County. Due to financial viability issues, in 2008 the County filed an application with LAFCo to form the Last Frontier Healthcare District.

The District website has the following information:

*MMC has been delivering Healthcare services since 1951 to the community of Alturas, and the surrounding area. The current facility was built in 1954. In 2010, the Last Frontier Healthcare District was formed and Modoc Medical Center transitioned from a county-owned facility to a Healthcare District. With the establishment of a Healthcare District and the passing of a tax to support MMC, the facility has been able to continue to operate and enhance its capability to provide Healthcare to the community.<sup>27</sup>*

*Since 1951, Modoc Medical Center (MMC) has delivered the healthcare needs of our community. MMC is a 16-bed, critical access hospital providing emergency services, family practice medicine, retail pharmacy and operating a 51-bed skilled nursing facility in addition to other ancillary services such as radiology, laboratory, physical therapy, and day surgery services. MMC serves the residents of Alturas, California and the surrounding area. Located in the rural northeastern portion of the state, Modoc County borders Oregon and Nevada.*

*As a district hospital, MMC is proud to partner with our district members and community. We provide our patients and visitors with a tradition of quality care. Listed as one of the top 5 Performing Hospitals in our region according to California's Quality Health Indicators, we strive to provide our community with innovative, personalized and compassionate care.*

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<sup>27</sup> <http://www.modocmedicalcenter.org/last-frontier-healthcare-district>, April 30, 2019.

*MMC is always looking to provide new services to our community. The addition of new Vitamin D testing in our Lab and the expansion of the Clinic are a few things on the horizon. Follow us on Facebook to hear more about our latest services or for event information.<sup>28</sup>*

### **3.3.2 Board of Directors and Finance Committee**

The Board of Directors for the Last Frontier Healthcare District is shown below:

<b>Last Frontier Healthcare District Board of Directors<sup>29</sup></b>			
<b>Position</b>	<b>Name</b>	<b>Title</b>	<b>Term Expires</b>
Chair	Jim Cavasso	Business Owner	12/2020
Vice Chair	Richard Steyer	Business Owner	12/2022
Secretary	Dee Funk	Retired Forest Service	12/2022
Treasurer	Carol Madison	Community Organization CEO	12/2020
Member	Stacey Todd	Modoc County Asst. DA	12/2022
District Clerk	Stacey Todd	Executive Assistant & District Clerk	

The Board of Directors meets at 1:00 pm on the last Thursday of each month in the City Council Chambers at Alturas City Hall. Last Frontier Healthcare District Clerk Stacey Todd can be reached at 530-233-7022. The District mailing address is as follows: 228 McDowell St., Alturas, CA 96101.

The District has one standing committee, the Finance Committee. The Finance Committee meets every 3<sup>rd</sup> Wednesday of the month at 1:00 pm and oversees the finances of the District. This Committee is made up of one Board Member (treasurer), two community members, the CEO and Finance Director. The members of the Finance Committee are shown in the table below:

<b>Finance Committee Last Frontier Healthcare District</b>	
<b>Position</b>	<b>Name</b>
Finance Committee Chair	Bobby Ray
Board Treasurer/Committee Vice Chair	Carol Madison
Community Member	Rose Boulade
Chief Executive Officer	Kevin Kramer
Financial Director	Patrick Fields
Last Frontier Healthcare District Clerk	Stacey Todd

<sup>28</sup> <http://www.modocmedicalcenter.org/about>, April 30, 2019

<sup>29</sup> <http://www.modocmedicalcenter.org/last-frontier-healthcare-district/board>, April 30, 2019.

### **3.3.3 Chief Executive Officer**

The Chief Executive Officer (CEO) of the Last Frontier Healthcare District is Kevin Kramer. He has the following message on the District website:<sup>30</sup>

*Our mission at Modoc Medical Center (MMC) is to elevate the provision of Healthcare by creating a partnership with our patients, employees, businesses, and the community. Embedded in this mission statement is the fundamental belief that our success will depend on our ability to provide quality healthcare services to our patients and establish processes and a culture that will put our patients at the center of what we do.*

*Our ability to work together as a team in delivering quality Healthcare services will largely impact our ability to accomplish our mission by placing the patient first and providing each other with the support we need as a team to deliver the best healthcare possible.*

*In addition to keeping the focus on our patients and the healthcare we are delivering, we act according to the responsibility we have to members of this community to be good stewards of the public funds that support this organization and to make sure we are operating as efficiently and effectively as possible so that the necessary financial resources are available to support what we need to do to continually improve the services we provide to the community.*

*I look forward to the years to come and I am very excited about a number of projects and initiatives that we are involved in and that the MMC team plans on implementing. I am very grateful for the support of the community in helping this organization to operate through tax support and their continued use of the facility. With the additional resources we now have as a District, we should be able to do some very exciting things for this community and in partnership with our patients, who will always remain at the center of what we strive to do here every day.*

### **3.3.4 Mission Statement**

The Mission Statement for the Modoc Medical Center is shown on the website as follows:

*To provide patients and visitors a tradition of quality care, innovative and responsible use of resources, and personalized compassionate care.*<sup>31</sup>

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<sup>30</sup> <http://www.modocmedicalcenter.org/last-frontier-healthcare-district/vision-future>, April 30, 2019

<sup>31</sup> <http://www.modocmedicalcenter.org/last-frontier-healthcare-district>, April 30, 2019.



### **3.3.5 Modoc Medical Center**

#### **A. Modoc Medical Center Goal**

The Modoc Medical Center website states the following:

*Modoc Medical Center offers the community healthcare assistance in a number of ways, including Clinical care, Long-term care, Inpatient and Outpatient services. Our Providers at MMC Family Practice Clinic provide family medical care to patients of all ages.<sup>32</sup>*

The Modoc Medical Center has approximately 165 full-time equivalent paid employees.

#### **B. Location and Hours**

The Modoc Medical Center is located at 228 W. McDowell Avenue, Alturas, CA 96101. Phone Numbers are as follows: Clinic: 530-233-7052, Hospital: 530-233-5131.

Clinic Hours are as follows:

Monday-Friday 8:00 am-5:00 pm, closed 12:30 pm-1:30 pm for lunch,  
Closed on Holidays.

The District web site describes the Clinic as follows:<sup>33</sup>

*Our Providers at MMC Family Practice Clinic provide the following medical care to patients of all ages:*

*Health Maintenance  
Immunizations  
Preventative Medicine  
Well Child/Adult Exams  
Sports, School, DMV/DOT Physicals  
Women's Health/Family Planning*

*The Clinic also facilitates referrals to specialty providers, when needed. Other providers that practice in our Clinic include Doctor of Podiatric Medicine, Richard Nielsen; and Doctor of Medicine Dale Syverson (General Surgeon).*

Services provided include:

Hospital Services

Clinic Services

Skilled Nursing Services

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<sup>32</sup> Last Frontier Healthcare District, <http://www.modocmedicalcenter.org/services>, April 30, 2019.

<sup>33</sup> Last Frontier Healthcare District, <http://www.modocmedicalcenter.org/services/clinic-services>, May 8, 2019.

### **Ambulance Services** <sup>34</sup>

*MMC Ambulance Service delivers quick, professional and compassionate care to anyone needing emergency services. Our Ambulance Service is a continuous service that provides emergency medical assistance to Modoc County and parts of Lassen County. Our service area is approximately 4,500 square miles including south to Termo, east to the top of Cedar Pass, west to the middle of Round Valley outside of Adin and north to County Road 91 on Highway 139.*

*Our Advanced Life Support Crew (ALS) is available 24-hours a day, 7 days a week. All ALS crew members are Advanced Cardiac Life Support (ACLS) certified and Pediatric Advanced Life Support (PALS) certified. Our Ambulance Service has an on-call crew that allows us to provide medical transports to other healthcare facilities when the patient requires a higher level of care. Our Ambulance Service also does medical standby for sporting events in the community.*

*The Ambulance department furthermore offers community Emergency Medical Technician (EMT) classes and refresher classes, first aid, and CPR classes. If interested in these courses, please contact the ambulance department at (530) 233-5131 ext. 1490.*

A more complete schedule of services is shown in the table on the following page.

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<sup>34</sup> Last Frontier Healthcare District, <http://www.modocmedicalcenter.org/services/inpatient-outpatient-services/ambulance-services>, May 8, 2019.

**MODOC MEDICAL CENTER SCHEDULE OF OUTPATIENT SERVICES<sup>35</sup>**

Department/Services	Location	Days	Hours
<b>Family Practice Clinic</b>			
- Primary Care - Audiology - Breast Cancer Early Detection - Child Health Development - Family Pact - Men's Health - Physicals - Podiatry - Pre-employment Physicals - Sports Physicals - Telemedicine - Vaccines for Children - Well- Child and Adult Check-ups - WIC Checks - Women's Health	Clinic	Mon-Friday	8:00 am - 5:00 pm
<b>Emergency Services</b>			
- Ambulance - Physician On Duty - Stand-by Emergency Room (ER) Services	Acute Hospital	Mon-Sun	24 hours
<b>Laboratory (Outpatient Services)</b>			
- Arterial Blood Gases - Chemistry - Hematology - Immunohematology - Immunology - Microbiology - Therapeutic Drug Monitoring - Urinalysis	Acute Hospital	M - F And on call, as necessary.	7:30- 4:30
<b>Outpatient Services</b>			
- IV Administration	Acute Hospital	Mon.-Sun.	8am - 5pm
- Medication Therapy	Acute Hospital	Mon.-Sun.	
- Wound Therapy	Physical Therapy	M - F	
<b>Physical Therapy</b>	120 S. Main St.	M - F	8am - 5pm
<b>Radiology Services:</b>			
- X-Ray		Mon - Fri	7:30 - 4:30 And on call, as needed.
- Computed Tomography (CT)	Acute Hospital	Mon - Fri	7:30 - 4:30 And on call, as needed.
- Ultrasound		Tues.-Thu.	7:30 - 4:30 On call Monday - Wednesday.

<sup>35</sup> Last Frontier Healthcare District,  
[http://www.modocmedicalcenter.org/sites/www.modocmedicalcenter.org/assets/files/MMC\\_Services.pdf](http://www.modocmedicalcenter.org/sites/www.modocmedicalcenter.org/assets/files/MMC_Services.pdf), May 8, 2019.

C. New Construction

Modoc Medical Center is a 16-bed Critical Access Hospital located in Alturas, California near the junction of Highways 299 and 395. In addition to acute care services, the Modoc Medical Center also provides family practice clinic services and is licensed for 71 skilled nursing beds. Together, these activities serve a 4,500 square mile area of Northeastern California, bordering on Oregon and Nevada.

Locally, a number of efforts have been made to assist in the construction of a new facility. The current structure has been occupied since 1951, and no longer meets seismic requirements regulated by the state of California. MMC has been granted an extension until January 1, 2030 to meet these requirements. Over the last 8 years MMC has worked through applying for and obtaining financing, overall planning and design of a new facility, and engaging the appropriate partners to deliver a facility that meets current seismic standards. MMC has now commenced construction of that facility and anticipates completion of this building project in the Late Summer of 2020. The project is funded through a USDA loan and cash reserves from MMC.

D. Long Term Care

Long term care is provided at the Warnerview Nursing Home.



The motto of the Warnerview Nursing Home is “Our Family Caring for Your Family.”<sup>36</sup>

According to the website, “Warnerview is a 50-bed skilled nursing facility. We provide quality, 24-hour care while preserving every resident’s dignity and respect. We provide a variety of services to each of our residents, including:

- |                                  |   |
|----------------------------------|---|
| Short-Term Rehabilitative Care   | Individualized Dietary Program          |
| Physical Therapy Program         | Diverse Recreational Activities Program |
| Restorative Nurse’s Aide Program | Social Services Department.”            |

<sup>36</sup> Last Frontier Healthcare District, <http://www.modocmedicalcenter.org/services/long-term-care-services>, May 6, 2019.

**E. Modoc Medical Center Auxiliary**

Modoc Medical Center Auxiliary is a volunteer organization dedicated to helping the hospital acquire equipment necessary to meet the needs and comfort of patients. The Auxiliary supports the staff and hospital for the betterment of the community. Modoc Medical Center Auxiliary Officers are as follows:

Pam Williams, President	Ruth Becker, Vice President
Sharon Carey, Secretary	Dottie Houghtby, Treasurer

The Modoc Medical Center Auxiliary is always seeking volunteers and may be contacted through any Auxiliary member or at Phone: (530) 233-5130. MMC Auxiliary meetings are on the third Monday of each month at 2:00pm in the Human Resources Conference Room at Modoc Medical Center. The Auxiliary operates a gift shop, open Tuesday and Thursday, 10am to 2pm, stocked with quality gifts and snacks.

**3.3.6 Last Frontier Healthcare District Budget**

The Budget for the Modoc Medical Center is shown below:

<b>MODOC MEDICAL CENTER BUDGET 2018-2019<sup>37</sup></b>	
<b>Revenue</b>	
Total Revenue	\$29,997,157
Deductions from Revenue*	\$(13,466,425)
Other Operating Revenue**	\$879,600
Net Operating Revenue	\$17,410,332
<b>Expense</b>	
Salaries and Benefits	\$(9,396,434)
Professional Fees and Registry Staff	\$(5,418,282)
Other Operating Expenses	\$(4,436,464)
Total Operating Expenses	\$(19,251,180)
Operating Profit (Loss)	\$(1,840,848)
Non-Operating Expense	\$(118,519)
Non-Operating Income	\$2,628,705
<b>Total Profit (Loss)</b>	<b>\$669,338</b>

\* Deductions from revenue are contractual write-offs and adjustments. Contractual write-offs are the difference between what the Hospital charges and what 3<sup>rd</sup> party insurance pays the Hospital. For example, if the Hospital charges \$350 for a procedure; Blue Cross or Medicare pays the hospital \$200. The \$150 not collected is considered a contractual write off because MMC cannot bill the patient under its reimbursement contracts. Adjustments are bad debt reserves, clean up of old accounts, prompt pay discounts, and other forms of write-offs on accounts that are not based on 3<sup>rd</sup> party insurance contract provisions.

\*\* Other Operating Revenue may include tax revenue.

<sup>37</sup> Last Frontier Healthcare District, Kevin Kramer, Chief Executive Officer

### 3.3.7 Last Frontier Healthcare District Audit

According to the Chief Executive Officer, Kevin Kramer, "The District is current with its financial audits. These are performed annually. An updated 2018-2019 audit is expected at the end of November 2019. The Audited Condensed Statements of Net position and Condensed Statements of Revenue, Expenses, and Changes in Net Position for fiscal year ending 6/30/2018 are shown in the following two tables."

<b>Last Frontier Healthcare District Audit</b>						
<b>Condensed Statements of Net Position<sup>38</sup> (In Thousands)</b>						
<b>June 30,</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>Change</b>		
				<b>2018-2017</b>	<b>2017-2016</b>	
Current assets	\$ 21,677	\$ 19,996	\$ 16,069	\$ 1,681	\$ 3,927	
Capital assets - Net	2,086	2,421	2,653	(335)	(232)	
Noncurrent assets	6,298	2,412	2,069	3,886	343	
<b>Total assets</b>	<b>30,061</b>	<b>24,829</b>	<b>20,791</b>	<b>5,232</b>	<b>4,038</b>	
Current liabilities	1,637	1,394	1,128	243	266	
Total liabilities	1,637	1,394	1,128	243	266	
Net position:						
Net investment in capital assets	7,350	3,808	3,705	3,542	103	
Restricted by donors	1,034	1,024	1,016	10	8	
Unrestricted	20,039	18,603	14,942	1,436	3,661	
<b>Total net position</b>	<b>*28,423</b>	<b>23,435</b>	<b>19,663</b>	<b>4,988</b>	<b>3,772</b>	
<b>Total liabilities and net position</b>	<b>\$ 30,060</b>	<b>\$ 24,829</b>	<b>\$ 20,791</b>	<b>\$ 5,231</b>	<b>\$ 4,038</b>	

\* The Total Net Position has increased over the past three years so this is a good position for the District.

<sup>38</sup> Last Frontier Healthcare District, Kevin Kramer, Chief Executive Officer

**Last Frontier Healthcare District Audit**  
**Condensed Statements of Revenue, Expenses, and Changes in Net Position**  
**(In Thousands)**

<b>June 30,</b>	<b>Change</b>				
	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2018-2017</b>	<b>2017-2016</b>
Revenue:	\$19,938	\$17,962	\$15,813	\$1,976	\$2,149
Net patient service revenue	272	241	250	31	(9)
Other revenue					
<b>Total revenue</b>	<b>20,210</b>	<b>18,203</b>	<b>16,063</b>	<b>2,007</b>	<b>2,140</b>
Expenses:	6,252	6,141	5,749	111	392
Salaries					
Benefits	2,071	2,003	1,920	68	83
Professional fees	5,175	4,144	2,979	1,031	1,165
Supplies	1,519	1,360	1,537	159	(177)
Purchased services	1,053	1,044	1,620	9	(576)
Depreciation	601	733	733	(132)	-
Other expenses	1,576	1,393	1,276	183	117
<b>Total expenses</b>	<b>18,247</b>	<b>16,818</b>	<b>15,814</b>	<b>1,429</b>	<b>1,004</b>
Income from operations	1,963	1,385	249	578	1,136
Non-operating revenue - Net	3,025	2,387	4,872	638	(2,485)
Excess of revenue over expenses	4,988	3,772	5,121	1,216	(1,349)
<b>Net position at beginning</b>	<b>23,435</b>	<b>19,663</b>	<b>14,542</b>	<b>3,772</b>	<b>5,121</b>
<b>Net position at end</b>	<b>\$ 28,423</b>	<b>\$ 23,435</b>	<b>\$ 19,663</b>	<b>\$ 4,988</b>	<b>\$ 3,772</b>

The above table shows that the Last Frontier Healthcare District had an excess of revenue over expenses and that the Net Position increased from the beginning of the fiscal year to the end of the fiscal year. An updated 2018-2019 Audit is expected at the end of November 2019

### **3.4 Last Frontier Healthcare District MSR**

#### **3.4.1 Growth and Population Projections for the Last Frontier Healthcare District Area<sup>39</sup>**

##### Last Frontier Healthcare District Area Population Projections

There are no population projections specifically for the Last Frontier Healthcare District area. However, the State Department of Finance estimates that the 2019 population of Modoc County is 9,602 and that the population of the County will decline to 9,297 by 2027.<sup>40</sup>

##### MSR Determinations on Growth and Population Projections for the Last Frontier Healthcare District Area

MSR 1-1) The population of the Last Frontier Healthcare District may decline slightly in the future but the services provided by the LFHD will still be needed.

#### **3.4.2 Location and Characteristics of any Disadvantaged Unincorporated Communities (DUC) within or Contiguous to Last Frontier Healthcare District<sup>41</sup>**

##### Determination of District Area Disadvantaged Unincorporated Community Status

The Median Household Income is used to determine Disadvantaged status. The Median Household Income for Modoc County is far below 80% of the State Median Household Income as shown below:

Estimated Median Household Income in 2016:<sup>42</sup>

City of Alturas:	\$31,690	
Modoc County:	\$39,296	
California:	\$67,169	80% = \$53,735

Therefore, Modoc County is a disadvantaged community and the City of Alturas are considered Disadvantaged communities.

##### MSR Determinations on Disadvantaged Unincorporated Communities near Last Frontier Healthcare District

MSR 2-1) Modoc County and the city of Alturas are considered disadvantaged.

<sup>39</sup> California Government Code Section 56430. (a) (1)

<sup>40</sup> State of California, Department of Finance, <http://www.dof.ca.gov/Forecasting/Demographics/Projections/>, May 6, 2019

<sup>41</sup> California Government Code Section 56430. (a) (2)

<sup>42</sup> <http://www.city-data.com/city/Alturas-California.html>, April 6, 2019.



### **3.4.3 Capacity and Infrastructure for Last Frontier Healthcare District<sup>43</sup>**

#### Infrastructure

The Last Frontier Healthcare District is in the process of building a new facility, which will meet the State requirements for earthquake safety and the needs of the District.

#### MSR Determinations on Infrastructure for Last Frontier Healthcare District

MSR 3-1) The Last Frontier Healthcare District is in the process of building to meet the State requirements for earthquake safety. This effort is funded by A USDA Loan and District reserves, the loan is secured against existing tax assessments. The District has until 2030 to meet the State requirements.

### **3.4.4 Financial Ability to Provide Services<sup>44</sup>**

#### Financial Considerations for Last Frontier Healthcare District

The Last Frontier Healthcare District is able to cover the deficits through tax revenue.

#### MSR Determinations on Financing for Last Frontier Healthcare District

MSR 4-1) The Last Frontier Healthcare District has shown a slight increase in revenue over debits as shown in the annual audit. The district has not had any operational deficits in the past 5 years and current operations are adequately funded.

### **3.4.5 Status of and Opportunities for Shared Facilities<sup>45</sup>**

#### Facilities

The Last Frontier Healthcare District has adequate facilities. They use the Alturas City Council Chambers for Board meetings.

#### MSR Determinations on Shared Facilities for Last Frontier Healthcare District

MSR 5-1) The Last Frontier Healthcare District will have adequate medical facilities after completion of the new hospital. The District currently uses the Alturas City Council Chambers for its Board meetings.

### **3.4.6 Accountability for Community Service Needs, Government Structure and Operational Efficiencies<sup>46</sup>**

#### Government Structure

The Last Frontier Healthcare District is fortunate to have a full Board of Directors and a dedicated Chief Executive Officer. The Board also has a Finance Committee. The District operates a web site but could additionally include posting its annual audits in addition to posting financial and board packets on the website.

#### MSR Determinations on Local Accountability and Governance

MSR 6-1) The Last Frontier Healthcare District has a Board of Directors with regular meetings open to the public.

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<sup>43</sup> California Government Code Section 56430. (a) (3)

<sup>44</sup> California Government Code Section 56430. (a) (4)

<sup>45</sup> California Government Code Section 56430. (a)(5)

<sup>46</sup> California Government Code Section 56430. (a)(6).

MSR 6-2) While the Last Frontier Healthcare District has a website but could provide detailed financial information.

MSR 6-3) The Last Frontier Healthcare District offers a broad range of medical services to the community.

### **3.5 Last Frontier Healthcare District SOI**

#### **3.5.1. Recommendation for Last Frontier Healthcare District Sphere of Influence**

The recommendation for the Last Frontier Healthcare District SOI is that it remain the same as the District Boundary.

#### **3.5.2 Present and Planned Land Uses in the Last Frontier Healthcare District Area, Including Agricultural and Open Space Lands<sup>47</sup>**

##### General Plan and Zoning for Last Frontier Healthcare District SOI Area

The Modoc County General Plan governs the unincorporated areas and the City of Alturas General Plan governs the area within the incorporated City Limits. Modoc County also has Federal and State lands governed by their respective agencies. Significant growth is not anticipated primarily due to economic factors.

##### SOI Determinations on Present and Planned Land Use for Last Frontier Healthcare District Area

SOI 1-1] Present land uses will remain the same in the future for the area within the Last Frontier Healthcare District.

#### **3.5.3 Present and Probable Need for Public Facilities and Services in the Last Frontier Healthcare District Area<sup>48</sup>**

##### Need for Facilities and Services

There is a definite need for medical facilities and services within and surrounding the Last Frontier Healthcare District area. This need will continue into the future. As the population ages the need for medical care and services will increase.

##### SOI Determinations on Need for Facilities and Services of the Last Frontier Healthcare District

SOI 2-1] The Last Frontier Healthcare District has done a remarkable job of providing as many medical services as possible at one location so that the needs of the residents and landowners are met.

#### **3.5.4 Present Capacity of Public Facilities Present and Adequacy of Public Services<sup>49</sup>**

##### Capacity Background

The Last Frontier Healthcare District has done a remarkable job of recruiting a highly skilled medical staff to provide up-to-date healthcare for the residents of the District.

<sup>47</sup> California Government Code Section 56425 (e)(1)

<sup>48</sup> California Government Code Section 56425 (e)(2)

<sup>49</sup> California Government Code Section 56425 (e)(3)

*SOI Determinations on Public Facilities Present and Future Capacity for Last Frontier Healthcare District*

SOI 3-1] The capacity of the Last Frontier Healthcare District to provide all types of medical assistance and care is dependent on maintaining a highly trained and skilled staff. The District has been able to do this and this is expected to continue into the future.

**3.5.5 Social or Economic Communities of Interest for Last Frontier Healthcare District<sup>50</sup>**

*Last Frontier Healthcare District Community Background*

The Last Frontier Healthcare District serves the community of Alturas and the unincorporated area around the City including many other small communities in Modoc County. The City of Alturas is the focus of many social, community, religious, and economic activities.

*SOI Determinations on Social or Economic Communities of Interest for Last Frontier Healthcare District*

SOI 4-1] The City of Alturas is the social and economic hub within the Last Frontier Healthcare District. The Operation of the Modoc Medical Center supports the community through the provision of medical services and the provision of jobs.

**3.5.6 Last Frontier Healthcare District Disadvantaged Unincorporated Community (DUC) Status<sup>51</sup>**

*Disadvantaged Unincorporated Communities*

The Median Household Income is used to determine Disadvantaged status. The Median Household Income for Modoc County and the City of Alturas is far below 80% of the State Median Household Income.

*Last Frontier Healthcare District Disadvantaged Unincorporated Community Status*

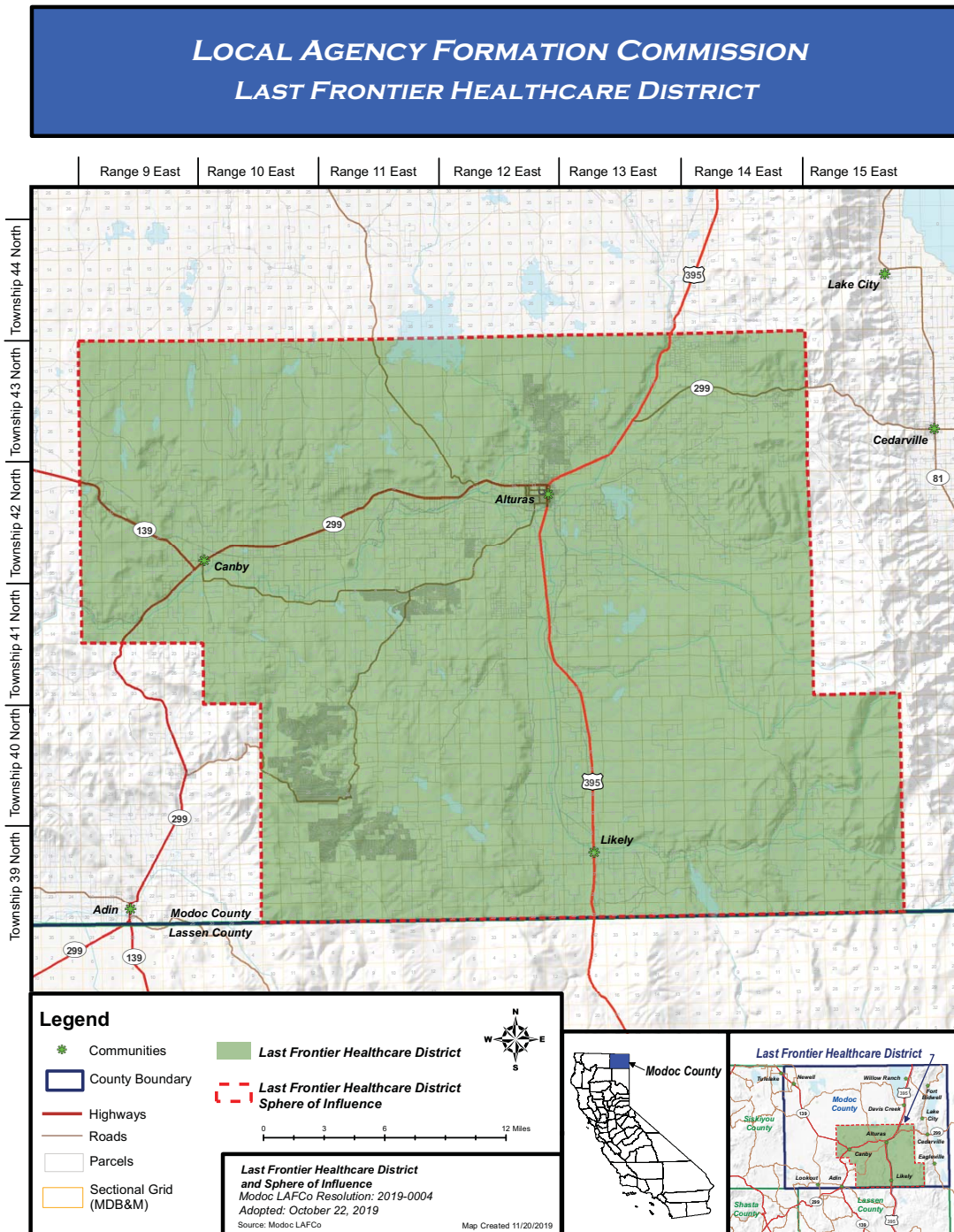
SOI 5-1] The communities in Alturas and Modoc County are disadvantaged.

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<sup>50</sup> California Government Code Section 56425 (e)(4)

<sup>51</sup> California Government Code Section 56425 (e)(5)

### 3.6 Last Frontier Healthcare District Map



## **APPENDIX A LOCAL GOVERNEMENT SPENDING ISSUES**

### **1 Municipal Financial Constraints**

Municipal service providers are constrained in their capacity to finance services by the inability to increase property taxes, requirements for voter approval for new or increased taxes, and requirements of voter approval for parcel taxes and assessments used to finance services. Municipalities must obtain majority voter approval to increase or impose new general taxes and two-thirds voter approval for special taxes.

Limitations on property tax rates and increases in taxable property values are financing constraints. Property tax revenues are subject to a formulaic allocation and are vulnerable to State budget needs. Agencies formed since the adoption of Proposition 13 in 1978 often lack adequate financing.

#### **1.1 California Local Government Finance Background**

The financial ability of the cities and special districts to provide services is affected by financial constraints. City service providers rely on a variety of revenue sources to fund city operating costs as follows:

Property Taxes

Benefit Assessments

Special Taxes

Proposition 172 Funds

Other contributions from city or district general funds.

As a funding source, property taxes are constrained by statewide initiatives that have been passed by voters over the years and special legislation. Seven of these measures are explained below:

##### **A. Proposition 13**

Proposition 13 (which California voters approved in 1978) has the following three impacts:

- Limits the ad valorem property tax rate
- Limits growth of the assessed value of property
- Requires voter approval of certain local taxes.

Generally, this measure fixes the ad valorem tax at one percent of value; except for taxes to repay certain voter approved bonded indebtedness. In response to the adoption of Proposition 13, the Legislature enacted Assembly Bill 8 (AB 8) in 1979 to establish property tax allocation formulas.

##### **B. AB 8**

Generally, AB 8 allocates property tax revenue to the local agencies within each tax rate area based on the proportion each agency received during the three fiscal years preceding adoption of Proposition 13. This allocation formula benefits local agencies, which had relatively high tax rates at the time Proposition 13 was enacted.

##### **C. Proposition 98**

Proposition 98, which California voters approved in 1988, requires the State to maintain a minimum level of school funding. In 1992 and 1993, the Legislature began shifting billions of local property taxes to schools in response to State budget deficits. Local property taxes were diverted from local governments into the Educational Revenue Augmentation Fund (ERAF) and transferred to school districts and community college districts to reduce the amount paid by the State general fund.

Local agencies throughout the State lost significant property tax revenue due to this shift. Proposition 172 was enacted to help offset property tax revenue losses of cities and counties that were shifted to the ERAF for schools in 1992.

**D. Proposition 172**

Proposition 172, enacted in 1993, provides the revenue of a half-cent sales tax to counties and cities for public safety purposes, including police, fire, district attorneys, corrections and lifeguards. Proposition 172 also requires cities and counties to continue providing public safety funding at or above the amount provided in FY 92-93.

**E. Proposition 218**

Proposition 218, which California voters approved in 1996, requires voter- or property owner-approval of increased local taxes, assessments, and property-related fees. A two-thirds affirmative vote is required to impose a Special Tax, for example, a tax for a specific purpose such as a fire district special tax.

However, majority voter approval is required for imposing or increasing general taxes such as business license or utility taxes, which can be used for any governmental purpose. These requirements do not apply to user fees, development impact fees and Mello-Roos districts.

**F. Mello-Roos Community Facilities Act**

The Mello-Roos Community Facilities Act of 1982 allows any county, city, special district, school district or joint powers authority to establish a Mello-Roos Community Facilities District (a "CFD") which allows for financing of public improvements and services. The services and improvements that Mello-Roos CFDs can finance include streets, sewer systems and other basic infrastructure, police protection, fire protection, ambulance services, schools, parks, libraries, museums and other cultural facilities. By law, the CFD is also entitled to recover expenses needed to form the CFD and administer the annual special taxes and bonded debt.

A CFD is created by a sponsoring local government agency. The proposed district will include all properties that will benefit from the improvements to be constructed or the services to be provided. A CFD cannot be formed without a two-thirds majority vote of residents living within the proposed boundaries. Or, if there are fewer than 12 residents, the vote is instead conducted of current landowners.

In many cases, that may be a single owner or developer. Once approved, a Special Tax Lien is placed against each property in the CFD. Property owners then pay a Special Tax each year.

If the project cost is high, municipal bonds will be sold by the CFD to provide the large amount of money initially needed to build the improvements or fund the services. The Special Tax cannot be directly based on the value of the property. Special Taxes instead are based on mathematical formulas that take into account property characteristics such as use of the property, square footage of the structure and lot size. The formula is defined at the time of formation, and will include a maximum special tax amount and a percentage maximum annual increase.

If bonds were issued by the CFD, special taxes will be charged annually until the bonds are paid off in full. Often, after bonds are paid off, a CFD will continue to charge a reduced fee to maintain the improvements.

### **G. Development Impact Fees**

A county, cities, special districts, school districts, and private utilities may impose development impact fees on new construction for purposes of defraying the cost of putting in place public infrastructure and services to support new development.

To impose development impact fees, a jurisdiction must justify the fees as an offset to the impact of future development on facilities. This usually requires a special financial study. The fees must be committed within five years to the projects for which they were collected, and the district, city or county must keep separate funds for each development impact fee.

#### **1.2 Financing Opportunities that Require Voter Approval**

Financing opportunities that require voter approval include the following five taxes:

1. Special taxes such as parcel taxes
2. Increases in general taxes such as utility taxes
3. Sales and use taxes
4. Business license taxes
5. Transient occupancy taxes

Communities may elect to form business improvement districts to finance supplemental services, or Mello-Roos districts to finance development-related infrastructure extension. Agencies may finance facilities with voter-approved (general obligation) bonded indebtedness.

#### **1.3 Financing Opportunities that Do Not Require Voter Approval**

Financing opportunities that do not require voter approval include imposition of or increases in fees to more fully recover the costs of providing services, including user fees and Development Impact Fees to recover the actual cost of services provided and infrastructure.

Development Impact Fees and user fees must be based on reasonable costs, and may be imposed and increased without voter approval. Development Impact Fees may not be used to subsidize operating costs. Agencies may also finance many types of facility improvements through bond instruments that do not require voter approval.

Water rates and rate structures are not subject to regulation by other agencies. Utility providers may increase rates annually, and often do so. Generally, there is no voter approval requirement for rate increases, although notification of utility users is required. Water providers must maintain an enterprise fund for the respective utility separate from other funds, and may not use revenues to finance unrelated governmental activities.

## **2 Public Management Standards**

While public sector management standards do vary depending on the size and scope of an organization, there are minimum standards. Well-managed organizations do the following eight activities:

1. Evaluate employees annually.
2. Prepare a budget before the beginning of the fiscal year.
3. Conduct periodic financial audits to safeguard the public trust.
4. Maintain current financial records.
5. Periodically evaluate rates and fees.
6. Plan and budget for capital replacement needs.
7. Conduct advance planning for future growth.
8. Make best efforts to meet regulatory requirements.

Most of the professionally managed and staffed agencies implement many of these best management practices. LAFCo encourages all local agencies to conduct timely financial record-keeping for each city function and make financial information available to the public.

## **3 Public Participation in Government**

The Brown Act (California Government Code Section 54950 et seq.) is intended to insure that public boards shall take their actions openly and that deliberations shall be conducted openly.

The Brown Act establishes requirements for the following:

- Open meetings
- Agendas that describe the business to be conducted at the meeting
- Notice for meetings
- Meaningful opportunity for the public to comment

Few exceptions for meeting in closed sessions and reports of items discussed in closed sessions.

According to California Government Section 54959:

*Each member of a legislative body who attends a meeting of that legislative body where action is taken in violation of any provision of this chapter, and where the member intends to deprive the public of information to which the member knows or has reason to know the public is entitled under this chapter, is guilty of a misdemeanor.*

Section 54960 states the following:

*(a) The district attorney or any interested person may commence an action by mandamus, injunction or declaratory relief for the purpose of stopping or preventing violations or threatened violations of this chapter by members of the legislative body of a local agency or to determine the applicability of this chapter to actions or threatened future action of the legislative body*



**ABBREVIATIONS**

AB	Assembly Bill
ACHD	Association of California Hospital Districts, Inc.
AMSL	above mean sea level
BLM	Bureau of Land Management
BOD	Board of Directors
CAH	Critical Access Hospital
CEO	Chief Executive Officer
CEQA	California Environmental Quality Act
CFD	Mello-Roos Community Facilities District
CHDP	Child Health and Disability Prevention
CHFFA	California Health Facilities Financing Authority
CHIP	Community Health Improvement Partnership
CKH	Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000
CNA	Certified Nursing Assistant
CPR	Cardiopulmonary Resuscitation
CT	Computerized Tomography (Scan)
CVA	cerebrovascular accident
dba	doing business as
DMV	Department of Motor Vehicles (California)
DOT	Department of Transportation (California)
DUC	Disadvantaged Unincorporated Community
EKG	Electrocardiogram
EMR	Electronic Medical Record
EMS	Emergency Medical Service
EMT	Emergency Medical Technician
ERAF	Educational Revenue Augmentation Fund
ESRD	End Stage Renal Disease

*Modoc LAFCo  
Healthcare Districts MSR and SOI*

FICA	Federal Insurance Contributions Act (Social Security and Medicare)
FNP	Family Nurse Practitioner
FTE	Full Time Employment
FUI	Federal Unemployment Insurance
FY	Fiscal Year
HCD	Healthcare District
HIPAA	Health Insurance Portability and Accountability Act
HR	Human Resources
IRS	Internal Revenue Service (Federal)
IT	Internet Technology
IVP	intravenous pyelogram
JPA	Joint Powers Agreement
LAFCo	Local Agency Formation Commission
LAIF	Local Agency Investment Fund
LFHD	Last Frontier Healthcare District
LVN	Licensed Vocational Nurse
MD	Medical Doctor
MMC	Modoc Medical Center
MSR	Municipal Service Review (LAFCo)
OB	Obstetrics
OPR	Office of Planning and Research (California)
PAD	Peripheral Artery Disease
PERS	Public Employee Retirement System (California)
PL	Public Law
PTO	paid-time-off
REMSA	Regional Emergency Medical Services Authority
RHC	Rural Health Clinic
RN	Registered Nurse

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SNF	Skilled Nursing Facility
SOI	Sphere of Influence (LAFCo)
SUI	State Unemployment Insurance
SVHCD	Surprise Valley Healthcare District
USDA	United States Department of Agriculture

**DEFINITIONS**

**Bond:** An interest-bearing promise to pay a stipulated sum of money, with the principal amount due on a specific date. Funds raised through the sale of bonds can be used for various public purposes.

**California Environmental Quality Act (CEQA):** A State Law requiring State and local agencies to regulate activities with consideration for environmental protection. If a proposed activity has the potential for a significant adverse environmental impact, an environmental impact report (EIR) must be prepared and certified as to its adequacy before taking action on the proposed project.

**Local Agency Formation Commission (LAFCo):** A five-or seven-member commission within each county that reviews and evaluates all proposals for formation of special districts, incorporation of cities, annexation to special districts or cities, consolidation of districts, and merger of districts with cities. Each county's LAFCO is empowered to approve, disapprove, or conditionally approve such proposals. The LAFCO members generally include two county supervisors, two city council members, and one member representing the general public. Some LAFCOs include two representatives of special districts.

**Medicare:**<sup>52</sup> Medicare is health insurance for the following:  
People 65 or older  
People under 65 with certain disabilities  
People of any age with End-Stage Renal Disease (ESRD) (permanent kidney failure requiring dialysis or a kidney transplant)

**Proposition 13:** (Article XIII A of the California Constitution) Passed in 1978, this proposition enacted sweeping changes to the California property tax system. Under Proposition 13, property taxes cannot exceed 1% of the value of the property and assessed valuations cannot increase by more than 2% per year. Property is subject to reassessment when there is a transfer of ownership or improvements are made.<sup>53</sup>

**Proposition 218:** (Article XIII D of the California Constitution) This proposition, named "The Right to Vote on Taxes Act", filled some of the perceived loopholes of Proposition 13. Under Proposition 218, assessments may only increase with a two-thirds majority vote of the qualified voters within the District. In addition to the two-thirds voter approval requirement, Proposition 218 states that effective July 1, 1997, any assessments levied may not be more than the costs necessary to provide the service, proceeds may not be used for any other purpose other than providing the services intended, and assessments may only be levied for services that are immediately available to property owners.<sup>54</sup>

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<sup>52</sup> <http://www.medicare.gov/navigation/medicare-basics/medicare-benefits/medicare-benefits-overview.aspx>, June 21, 2011.

<sup>53</sup> [http://www.californiataxdata.com/A\\_Free\\_Resources/glossary\\_PS.asp#ps\\_08](http://www.californiataxdata.com/A_Free_Resources/glossary_PS.asp#ps_08)

<sup>54</sup> [http://www.californiataxdata.com/A\\_Free\\_Resources/glossary\\_PS.asp#ps\\_08](http://www.californiataxdata.com/A_Free_Resources/glossary_PS.asp#ps_08)

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