



EL CENTRO REGIONAL MEDICAL CENTER
**BOARD OF TRUSTEES – SPECIAL JOINT MEETING WITH
THE CITY COUNCIL OF THE CITY OF EL CENTRO**

**THURSDAY MAY 25, 2023
5:00 PM**

**MOB CONFERENCE ROOM 1&2
1271 ROSS AVENUE, EL CENTRO, CA
&**

TELECONFERENCE LOCATION *NOTE: Pursuant to Government Code Section 54953(b) Trustee Patty Maysent- CEO, UCSD Health will be attending the Special Meeting via teleconference from:*

**JACOBS MEDICAL CENTER, Suite 1-620
9300 CAMPUS POINT DR.
SAN DIEGO, CA 92037**

PRESIDENT: Tomas Oliva

MEMBERS: Sylvia Marroquin; Martha Cardenas-Singh; Edgard Garcia; Sonia Carter; Patty Maysent-CEO, UCSD Health; Christian Tomaszewski-M.D.-CMO, UCSD

CLERK: Belen Gonzalez

ATTORNEY: Hope Levy-Biehl
Elizabeth Martyn, City Attorney

This is a public meeting. If you are attending in person, and there is an item on the agenda on which you wish to be heard, please come forward to the microphone. Address yourself to the president. You may be asked to complete a speaker slip; while persons wishing to address the Board are not required to identify themselves (Gov't. Code § 54953.3), this information assists the Board by ensuring that all persons wishing to address the Board are recognized and it assists the Board Executive Secretary in preparing the Board meeting minutes. The president reserves the right to place a time limit on each person asking to be heard. If you wish to address the board concerning any other matter within the board's jurisdiction, you may do so during the public comment portion of the agenda.

BOARD MEMBERS, STAFF AND THE PUBLIC MAY ATTEND VIA ZOOM.

To participate and make a public comment in person, via Zoom or telephone, please raise your hand, speak up and introduce yourself.

Join Zoom Meeting: <https://ecrmc.zoom.us/j/86868345473?pwd=Y2JpQUlyemJLaCtTV2FPV3VoYURpdz09>

Optional dial-in number: 1 (669) 444 9171

Meeting ID: 868 6834 5473 Passcode: 801179

Public comments via zoom are subject to the same time limits as those in person.

OPEN SESSION AGENDA

ROLL CALL:

PLEDGE OF ALLEGIANCE:

PUBLIC COMMENTS: Any member of the public wishing to address this body concerning matters on this agenda may do so at this time. The President reserves the right to place a time limit on each presentation. Three minutes allowed per speaker w/cumulative total of 15 min. per group.

BOARD MEMBER COMMENTS:

OLD BUSINESS

1. Review and Approval of Extension of the Letter of Intent (LOI) between El Centro Regional Medical Center (ECRMC), the City of El Centro, and the University of California San Diego Health (UCSD) for Interim Management and Operations of the Hospital while an Operations and Administration Support Agreement is developed.

ADJOURNMENT: Adjourn. (Time:) Subject to additions, deletions, or changes.

RESOLUTION NO. 23-____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL CENTRO APPROVING THE EXTENSION OF THE LETTER OF INTENT WITH EL CENTRO REGIONAL MEDICAL CENTER AND THE UNIVERSITY OF CALIFORNIA SAN DIEGO HEALTH FOR INTERIM MANAGEMENT AND OPERATIONS WHILE AN OPERATIONS AND ADMINISTRATION SUPPORT AGREEMENT IS DEVELOPED

WHEREAS, there have been a number of financial issues at El Centro Regional Medical Center and a need for consistent leadership and operational control with the ultimate authority of the City and ECRMC;

WHEREAS, therefore the Parties to the Letter of Intent (LOI) have discussed how to put in place interim assistance for the Hospital, while negotiating a longer-term Operations and Administrative Support Agreement consistent with the provisions of Federal, state and local law, City ordinances and the ECRMC bylaws; and

WHEREAS, the LOI sets out that interim management and operations approach and has a 3-month term; and

WHEREAS, the City's role under the LOI is consistent with its powers and responsibilities as to ECRMC; and

WHEREAS, the LOI is intended to meet the immediate needs of the public for ongoing availability and quality of healthcare services and to support the Hospital workforce while the Parties negotiate the Operations and Administrative Support Agreement and work with the bondholder, Preston-Hollow; and

WHEREAS, that 3-month term has proven to be too short to accomplish the list of deliverables set out in the letter of intent and therefore all parties agree that it needs to be extended on the same terms and conditions for an additional 6 month period; and

WHEREAS, the City Council finds that its approval of the extension of the LOI is in the best interests of the City, its residents, those who require healthcare, and the staff and physicians at the Hospital.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF EL CENTRO, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

1. That the foregoing is true, correct and adopted.
2. That the City Council does hereby approve a 6-month extension of LOI attached and incorporated in Exhibit "A", a copy of which is on file in the office of the City Clerk.
3. That the Mayor is authorized to sign the LOI and the Interim City Manager or designee hereby is authorized to take all steps necessary to implement it.

PASSED AND ADOPTED at a special meeting of the City Council of the City of El Centro, California held on the _____ day of May, 2023.

CITY OF EL CENTRO

By: _____
Mayor

ATTEST:

By: _____
Norma Wyles, City Clerk

APPROVED AS TO FORM:
Office of the City Attorney

By: _____
Elizabeth L. Martyn, City Attorney

STATE OF CALIFORNIA)
COUNTY OF IMPERIAL) ss
CITY OF EL CENTRO)

I, Norma Wyles, City Clerk of the City of El Centro, California, do hereby certify that the foregoing Resolution No. 23-_____ was duly and regularly adopted at a regular meeting of the City Council of the City of El Centro, California, held on the _____ day of _____, 2023, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAINED:

By _____
Norma Wyles, City Clerk



*Mayor and
Council Members*
Martha Cardenas-Singh
Sylvia Marroquin
Edgard Garcia
Tomás Oliva
Sonia Carter

February 24, 2023

Letter of Intent

This Letter of Intent (“LOI”) is entered into effective March 1, 2023, by and between the City of El Centro (“City”), El Centro Regional Medical Center (“ECRMC” or “Hospital”), and the Regents of the University of California on behalf of UC San Diego Health (“UCSD”) on the terms and conditions set out here (each individually a “Party” and collectively the “Parties”).

1. On or about January 1, 2016, the Parties entered into an Amended and Restated Master Management Agreement pursuant to which UCSD made available to ECRMC certain management services;
2. Under the Management Agreement, UCSD provided a CEO to ECRMC but did not provide other management personnel;
3. The Management Agreement was amended eight (8) times with a Ninth Amendment pending;
4. On or about January 23, 2023, the Parties entered into a letter of agreement pursuant to which UCSD agreed to provide certain leadership consulting services to ECRMC for a limited amount of time not to exceed six weeks;
5. Given the ongoing challenges at ECRMC, the Parties now have determined that it is necessary to enter into an agreement pursuant to which UCSD will assume actual management and operations of the Hospital, subject to the ultimate oversight of the ECRMC Board of Trustees (“ECRMC Board”), and subject to any required regulatory approvals with the terms and conditions of a definitive agreement (the “Operations and Administrative Support Agreement” or “OAS Agreement”) to be negotiated between the Parties within the time frames set out herein;
6. The Parties acknowledge and affirm that this Letter of Intent also is important to reassure the community, the Hospital workforce, physicians and other constituents that the Hospital is and will remain open, operating and providing quality care.

El Centro City Hall

1275 Main Street, El Centro, CA 92243 (760) 337-4540 Fax (760) 352-6177

7. **Nothing in this Letter of Intent is intended in any way to affect any pending healthcare district legislation or a proposed special tax levy; and**
8. **Nothing in this Letter of Intent impacts the ongoing physician services agreements between UCSD and ECRMC.**

NOW, THEREFORE, the Parties agree as follows:

1. **The Recitals set out above are true and correct.**
2. **ECRMC Board responsibilities: As provided by and in compliance with City ordinance, state law, the ECRMC bylaws (as those may be amended by the Board from time to time), and in compliance with the terms of this LOI, the Board of Trustees acting as a whole shall continue to have the ultimate oversight of the Hospital and any third-party providing services to the Hospital under contract. This includes but is not limited to overseeing the services provided by UCSD under this Letter of Intent and the OAS Agreement.**

In addition, the ECRMC Board is responsible for each of the following.

- a. **Cooperating with and supporting UCSD in its provision of personnel and services to ECRMC. Any substantial staffing changes and restructuring proposed by UCSD will be reviewed and coordinated with the ECRMC Board before implementation;**
- b. **Funding Hospital operations;**
- c. **Working with Preston Hollow Community Capital and/or others regarding possible short-term funding and any corresponding revision and/or development of bond and other financing documents, which funding ECRMC agrees is a condition precedent to UCSD's execution of any OAS Agreement;**
- d. **Supporting legislation regarding a healthcare district and special tax levy (as allowed by law);**
- e. **Complying with and enforcing the provisions of this LOI and cooperating with other Parties to it;**
- f. **In cooperation with UCSD, ensuring that the Hospital continues to meet all applicable licensure, certification, and other legal requirements; and**

- e. Determine the scope and scale of clinical services and the location of those services, in consultation with medical leadership and the ECRMC Board;
- f. Facilitate discussions regarding optimizing care delivery and economic efficiencies, avoiding duplicative services, exploring partnerships, and reversing outmigration in Imperial County with other healthcare providers and constituents, including Pioneers Memorial Healthcare District (“PMHD”) and Heffernan Memorial Healthcare District (“Heffernan”); provided, however, that any recommendations that ECRMC or the City participate in any joint powers agreement or authority shall be subject to the review and approval of the ECRMC Board and City Council (as well as the other entities);
- g. Select an executive leadership team including a CEO and CFO who shall have day-to-day decision-making power and authority as further set out in the OAS Agreement and which shall be consistent with the powers and authority provided for in the Hospital Bylaws, as those may be amended from time to time by the ECRMC Board;
- h. Establish and manage an appropriate EHR implementation for ECRMC.

Finances:

- i. Manage the financial health of the organization and report on cash flow, debts, income, and other financial matters and update the ECRMC Board on a monthly basis or as otherwise requested by the ECRMC Board or the City, including without limitation:
 - i. Determine payor participation and negotiate payor contracts;
 - ii. Budget, prioritize and manage ECRMC’s payment of outstanding debt obligations, specifically including vendor debt, except as otherwise specifically agreed with the ECRMC Board;
 - iii. Prepare annual budgets and participate in annual audits; and
 - iv. Seek appropriately available local, state or federal emergency or other funding (short or long term), provided that any proposed debt to be incurred shall be subject to review and approval by the ECRMC Board and City Council.
- j. UCSD shall not charge a management or other operational or administrative fee for services provided pursuant to this LOI or the OAS Agreement, but shall be fully reimbursed from Hospital Revenues for all direct costs associated with its performance of services pursuant to this LOI and the Operations and Administrative Support Agreement as agreed with the ECRMC Board;

Public Relations:

Oversee and direct public relations on behalf of the City and ECRMC regarding healthcare and related services provided by ECRMC, specifically including crisis communication during the stabilization period and internal and external messaging and media communications;

- k. Prioritize and provide the City with access to information and respond to related requests in support of the City's ongoing review of, and to facilitate transparency in understanding and communicating, the nature of financial expenditures and decision-making during prior management periods;
- l. Continue to provide physician services by separate agreements, subject to the terms of those existing agreements as those may be updated and amended, which shall be subject to ECRMC Board approval;
- m. Attend and report on operations at all regular and special ECRMC Board meetings and report to the City Council as requested by the Mayor or City Manager;
- n. Provide oversight of hospital/ medical-legal matters in coordination with outside counsel;
- o. Coordinate with the ECRMC Board in advance of changes in staffing or service delivery to insure transparency to the community; and
- p. Assist in the evaluation and support of legislation regarding a healthcare district and a special tax, to the extent determined by the City and the ECRMC Board to be appropriate.

3. **City Responsibilities:** The City retains authority over ECRMC as provided by state law and City ordinance. During the term of this LOI, the City shall:

- a. Hold the Hospital license;
- b. Determine the structure of and appoint the ECRMC Board;
- c. Provide administrative and legal support regarding the Municipal Hospital Act, the Brown Act, conflicts of interest, and related public agency matters;
- d. Support and assist UCSD and/or ECRMC in seeking appropriately available local, state, or federal emergency or other funding (short or long term);

- e. Cooperate with Preston Hollow Community Capital and/or others regarding possible short-term funding and any corresponding revision and/or development of bond and other financing documents, which funding the City agrees is a condition precedent to UCSD's execution of any Operating Agreement;
 - f. Support legislation regarding the formation of a healthcare district and a special tax levy (as deemed appropriate and as allowed by law); and
 - g. Complying with and enforcing the provisions of this LOI and cooperating with other Parties to it.
4. **Term:** The term of this LOI shall be for no more than 3 calendar months from the date of its execution by all Parties.
5. **Termination:** This Agreement shall be terminated by any Party with or without cause upon 30 days prior written notice to the other. If ECRMC ceases to exist, then this agreement shall terminate.
6. **Release of Claims:** The terms of this LOI do not constitute a release of any claims by any Party against another Party. Any release of claims by any Party will be addressed in the Operating Agreement after a review satisfactory to all Parties.
7. **Exclusion from Federal Health Care Programs.** Each Party represents and warrants that it (i) is not currently excluded or otherwise ineligible to participate in the Federal health care programs, including but not limited to Medicare and Medi-Cal; (ii) has not been convicted of a criminal offense related to the provision of healthcare items or services; and (iii) has no knowledge of being under investigation or otherwise aware of any circumstances which may result in the party being excluded from participation in the Federal health care programs. Each Party represents and warrants to the other that its employees are not currently excluded or otherwise ineligible to participate in the Federal health care programs, including but not limited to Medicare and Medi-Cal. This shall be an ongoing representation and warranty while this LOI is in effect and each Party shall promptly notify the other Parties of any change in the status of the representation and warranty set forth in this Section. Any breach of this Section shall give the non-breaching parties the right to terminate this LOI immediately.
8. **Miscellaneous:**
- a. Time is of the essence in the performance of this LOI.

- b. Any amendment of this LOI shall be in writing, signed by the Parties.
- c. No waiver of any term or condition of this Agreement shall be a continuing waiver thereof.
- d. Each Party agrees to comply with the applicable provisions of the Health Insurance Portability and Accountability Act of 1996 and the requirements of any regulations promulgated thereunder, as both may be amended from time-to-time ("HIPAA") and with all other applicable privacy laws governing the privacy and security of personal information and medical information.
- e. The Parties agree that this LOI may be signed electronically and that any electronic signatures shall have the same legal validity, enforceability, admissibility, and effect as handwritten signatures.
- f. This LOI may be signed in counterparts, with each deemed an original and all counterparts taken together constituting one and the same agreement.

El Centro Regional Medical Center

City of El Centro

By: 
Tomás Oliva, President

By: 
Martha Cardenas-Singh, Mayor

Dated: 02/27/2023

Dated: 02/27/2023

Regents of the University of California
On Behalf of UC San Diego Health

By: 
Patricia S. Maysent, CEO UCSD Health

Dated: 02/27/2023