

**MENDOCINO COAST HEALTH CARE DISTRICT**

**MEASURE C**

With no additional taxes to the taxpayers and to assure continuing emergency medical services, acute hospital inpatient services and outpatient services, with substantial investments by non-profit Stone Point Health to meet the needs of Mendocino Coast residents, shall the Mendocino Coast Health Care District enter into a lease agreement of Mendocino Coast District Hospital for up to thirty (30) years at fair market value to Stone Point Health per terms approved by Resolution 2019-17, adopted November 22, 2019?

YES \_\_\_\_\_ NO \_\_\_\_\_

*This is Adventist Company*

For a copy of Resolution 2019-17, please contact  
Gayl Moon, Executive Assistant at  
Mendocino Coast District Hospital,  
at 707-961-4610 or [gmoon@mcqh.net](mailto:gmoon@mcqh.net).

**IMPARTIAL ANALYSIS**

**MEASURE C**

**A Measure by the Mendocino Coast Healthcare District to Enter Into a New Lease**

This measure was placed on the ballot by the Mendocino Coast Health Care District's ("District") Board of Directors to seek voter approval to enter into a lease agreement in which operation of the majority of its facilities would be transferred to Stone Point Health, a California nonprofit public benefit corporation that is an affiliate of Adventist Health System/West.

As a Hospital District, Mendocino Coast Health Care District must obtain voter approval before transferring fifty percent (50%) or more of its assets to private control. The District is seeking voter approval in order to allow it to enter into a lease agreement under which its hospital, clinics and healthcare facilities, including ambulance services, will be operated by Stone Point Health. The specific agreement has yet to be determined, but the District has provided a nonbinding term sheet outlining the terms on which it intends to lease the property.

This measure only authorizes entry into the lease if the terms provide fair market value to the District. Under Health and Safety Code section 32121(p)(1), fair market value may be established by the opinion of an independent consultant with certain methods and qualifications.

This measure was placed on the ballot by the District.

This measure must be adopted by a majority of the voters.

A **"YES"** vote is a vote in favor of authorization of the lease agreement.

A **"NO"** vote is a vote against authorization of the lease agreement.

The above statement is an impartial analysis of the Ordinance or Measure C. If you desire a copy of the ordinance or measure, please call the elections official's office at (707) 234-6819 and a copy will be mailed at no cost to you.

DATED: December 11, 2019

s/Christian M. Curtis  
Acting County Counsel  
County of Mendocino

**Argument In Favor of Measure C**

**Mendocino Coast Healthcare District**

Our community needs a fully staffed, quality hospital that is minutes, not hours, away. Our rural Critical Access Hospital delivers an exceptionally wide range of services. These include life-saving emergency, ambulance, general surgery and in-patient care. Access to quality health care is essential for the social and economic fabric of our coastal community.

Nationally, it has become more difficult for small rural hospitals to remain independent, and many have closed. Medical industry costs have skyrocketed. Over 80% of our hospital's patients are covered by Medicare or MediCal. On average, these programs pay less than our hospital's cost of providing services. Our hospital's financial hardships remain an ongoing challenge.

We now have the opportunity to affiliate with Adventist Health by entering into a 30-year lease of our hospital, clinic and related services. The District will remain the owner and collect lease payments from Adventist. Affiliation will increase resources to recruit and retain high quality medical staff and provide needed equipment and facility upgrades. Without affiliation, the District will have to consider eliminating a range of current services and focus on its core mission of providing emergency care. We also run the risk of losing our hospital.

**Vote YES on Measure C** to support and expand access to high quality local emergency and healthcare services.

Affiliation will enable us to become part of a proven, successful health care system. Our community will have local access to a broader array of medical specialists. Becoming part of an integrated healthcare system will reduce the expense and need to travel outside the area to obtain essential health care services.

**A YES vote on Measure C** for affiliation with Adventist Health will not increase taxes.

Please join your neighbors, doctors, nurses and business leaders and **Vote YES on Measure C.**

s/Jason Kirkman, MD  
Medical Director, North Coast Family Health Center

s/Jim Hurst  
Business Owner

s/Jennifer A. Owen  
Chief Financial Officer

s/Ruth Sparks  
Community Volunteer

s/Lucresha Renteria  
Executive Director

**No Argument Against Measure C was received.**