

CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY
Children’s Hospital Program of 2018 (Proposition 4)
STAFF SUMMARY

<p>Applicant: Northridge Hospital Medical Center 18300 Roscoe Boulevard Northridge, CA 91328 Los Angeles County</p>	<p>Application Number: EH-07 Authority Meeting Date: June 25, 2020 Resolution Number: CHP-4E 2020-06 Requested Amount: \$1,232,535.97 Total Recommended Amount: \$1,232,535.97</p>
<p>Project Site: Same as above.</p>	
<p>Description of Applicant: Northridge Hospital Medical Center (Hospital) is a non-profit 501(c)(3) general acute care hospital. The Hospital has full approval as a California Children’s Services program by the California Department of Health Care Services.</p>	
<p>Summary of Project: The Hospital is seeking grant funds to purchase various pediatric patient care equipment for the Pediatric Intensive Care Unit (PICU), the Neonatal Intensive Care Unit (NICU) and the Pediatric (PEDS) Unit. The pediatric equipment includes, but is not limited to: ventilators, an ultrasound imaging system, a magnetic resonance imaging (MRI) monitor system and infusion pump, a bladder scanner, a flexible intubation video endoscope, infant warmers and a cooling system.</p>	
<p>Proposition 4 Evaluation Factors:¹ Based on the review of the application and other submitted materials, staff evaluated the Hospital’s project using the factors identified in Proposition 4.</p> <p><i>Factor 1: The grant will contribute toward expansion or improvement of health care access by children eligible for governmental health insurance program²s and indigent, underserved, and uninsured children:</i> In 2019, 76% of the Hospital’s 12,420 patients were eligible for Governmental Health Insurance Programs and were indigent, underserved, and uninsured. The Hospital anticipates a substantial increase in the pediatric patients, especially due to a new contract with LA Care, the largest health plan in Los Angeles County.</p> <p>Ventilators– The Hospital plans to purchase five new ventilators to replace the existing outdated ones for the patients in the NICU and PICU. The ventilators will have integrated cuff pressure control to reduce ventilator-associated pneumonia and tracheal injuries and an adaptive support ventilation designed to improve safety through intuitive operation and monitoring. Clinical staff will need to interact less with the new ventilators due to the sophisticated technology of this equipment, resulting in more time for patient care, thus increasing access to care.</p> <p>Ultrasound Imaging System – The Hospital plans to replace its outdated ultrasound imaging machines with two new technologically advanced ones, which will enable clinicians to service and diagnose a wide range of patients and conditions. This new equipment provides a better image quality by using navigational tools that help increase precision and accuracy of image-guided interventional procedures. The active tracker enables one-click auto-registration of CT and MRI images to enhance accuracy and ease in managing patient motion, breathing and transmitter movements. These advanced features will save time, allowing clinicians to see more patients.</p> <p>Infant Warmers – The Hospital plans to purchase 14 new infant warmers to replace the current outdated ones as they do not meet the current Neonatal Resuscitation Program (NRP) guidelines. The infant warmers are necessary for resuscitation and warmth in all delivery rooms, obstetric operating rooms and the NICU. The infant warmer would include a built-in scale to measure the baby’s weight, an integrated x-ray tray, and would require minimal setup for high risk deliveries and those needing resuscitation. These infant warmers have many advanced features that will save staff time, so they can treat more babies.</p>	

¹ Staff also ensured that the hospital met an additional three evaluation factors that are not project specific but specific to the hospital, which include:
1. The hospital provides uncompensated or undercompensated care to indigent or public pediatric patients.
2. The hospital provides services to vulnerable pediatric populations.
3. The hospital promotes pediatric teaching or research programs.

² Government Health Insurance Programs mean governmental assistance programs that include, but are not limited to, Medicaid (Medi-Cal), Optional Targeted Low Income Children (OTLIC), California Children’s Services (CCS), Child Health and Disability Prevention (CHDP) and county indigent programs.

Factor 2: The grant will contribute toward the improvement of child health care or pediatric patient outcomes:

MRI Monitor System and Infusion Pump – The Hospital plans to purchase a new MRI compatible monitor system that allows monitoring of the patient’s temperature and a new MRI infusion pump that allows medication dosage control, decreasing the risk of medication errors, allowing safe transfer of critical NICU and PICU patients to the MRI suite, and resulting in improved patient care and outcomes.

Bladder Scanner – The scanner provides noninvasive measurement of urinary bladder volume, decreasing the need for unnecessary catheterization and thereby decreasing risk of infection. The scanner provides pre/post scans with optimal accuracy, minimizing user error.

Flexible Intubation Video Endoscope – The Endoscope will improve efficiency with pediatric intubation, because it is designed for the anatomy of pediatric and neonatal patients and is considered the new gold standard for pediatric airway management. This equipment will improve efficiency of pediatric intubation, provide rapid inspection of the respiratory tract, and utilize higher quality resolution images.

Cooling System – The Cooling system is needed to care for infants with oxygen deficiency. The circulating waterproof blanket will help reduce the infant’s temperature and maintain it for 72 hours, thereby reducing the risk of permanent brain damage caused by high body temperature and is especially helpful when transferring pediatric patients to different units.

Factor 3. Demonstration of project readiness and project feasibility:

The Hospital anticipates to place the majority of the equipment in service by August 2020. While the current COVID-19 outbreak has impacted the Hospital’s operations, the current planning status of this project has not been affected except for the delivery of the ventilators, which was delayed until June 2021.

Sources of Funds:		Uses of Funds:	
Prop 4 Grant Funds	\$1,232,535.97	Equipment	\$1,232,535.97
Hospital Funds	13,249.76	Admin Costs	12,325.36
		COI	924.40
Total	<u>\$1,245,785.73</u>	Total	<u>\$1,245,785.73</u>

Legal Review: No information was disclosed to question the financial viability or legal integrity of the Applicant.

Staff Recommendation: Staff recommends the Authority approve Resolution No. CHP-4E 2020-06 for Northridge Hospital Medical Center to provide a grant not to exceed \$1,232,535.97, less costs of issuance and administrative fees, and subject to all requirements of the Children’s Hospital Program of 2018.

RESOLUTION NO. CHP-4E 2020-06

**RESOLUTION OF THE CALIFORNIA HEALTH
FACILITIES FINANCING AUTHORITY APPROVING
EXECUTION AND DELIVERY OF GRANT FUNDING
UNDER THE CHILDREN’S HOSPITAL PROGRAM OF 2018
TO NORTHRIDGE HOSPITAL MEDICAL CENTER**

WHEREAS, the California Health Facilities Financing Authority (the “Authority”), a public instrumentality of the State of California, is authorized by the Children’s Hospital Bond Act of 2018 (Pt. 6.3 (commencing with Section 1179.81), Div. 1, Health and Safety Code; hereafter the “Act”) and implementing regulations to award grants from the proceeds of general obligation bonds in an amount not to exceed \$15,000,000.00 less the bond issuance and administrative costs to Northridge Hospital Medical Center (the “Grantee”) to finance eligible projects; and

WHEREAS, Authority staff reviewed the Grantee’s application against the eligibility requirements of the Act and implementing regulations and, pursuant to the Act and implementing regulations, recommends approval of a grant in an amount not to exceed \$1,232,535.97, less bond issuance and administrative costs, to the Grantee for the eligible project (the “Project”) described in the application;

NOW THEREFORE BE IT RESOLVED by the California Health Facilities Financing Authority, as follows:

Section 1. The Authority hereby approves a grant of \$1,232,535.97, less bond issuance and administrative costs, to the Grantee to complete the Project as described in the Children’s Hospital Program Application and Exhibit A to this Resolution (Exhibit A is hereby incorporated by reference) within a grant period that ends on June 30, 2022.

Section 2. The Executive Director and the Deputy Executive Director are hereby authorized, for and on behalf of the Authority, to approve any minor, non-material changes in the Project described in the application submitted to the Authority and extend the grant period completion date identified in Section 1 as authorized under the Act and implementing regulations. However, any extension approved by the Executive Director and the Deputy Executive Director shall not surpass the grant resolution expiration date. Nothing in this Resolution shall be construed to require the Authority to provide any additional funding. Any notice to the Grantee shall indicate that the Authority shall not be liable to the Grantee in any manner whatsoever should such funding not be completed for any reason whatsoever.

Section 3. The Executive Director and the Deputy Executive Director are hereby authorized and directed, for and on behalf of the Authority, to draw money from the Act Fund not to exceed those amounts approved by the Authority for the Grantee. The Executive Director and the Deputy Executive Director are further authorized and directed, for and on behalf of the Authority, to execute and deliver to the Grantee any and all documents necessary to complete the transfer of funds that are consistent with the Act and implementing regulations.

Section 4. The Executive Director and the Deputy Executive Director are hereby authorized and directed, for and on behalf of the Authority, to do any and all things and to execute and deliver any and all documents, which the Executive Director and the Deputy Executive Director deem necessary or advisable in order to effectuate the purposes of this Resolution and the transactions contemplated hereby.

Section 5. This Resolution expires June 30, 2023.

Date Approved: _____

EXHIBIT A

PROJECT DESCRIPTION

The proceeds of the grant will be used by Northridge Hospital Medical Center to purchase various pediatric patient care equipment for the pediatric intensive care unit, the neonatal intensive care unit and the pediatric unit.