

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

<p>Applicant: Tri-City Medical Center 4002 Vista Way Oceanside, CA 92056 San Diego County</p>	<p>Application Number: EH-18 Authority Meeting Date: December 3, 2020 Resolution Number: CHP-4E 2020-15 Requested Amount: \$1,829,365.26 Total Recommended Amount: \$1,828,365.26</p>
<p>Project Site: Same as above.</p>	
<p>Description of Applicant: Tri-City Medical Center (Hospital) is a public hospital as defined in Welfare and Institutions Code Section 14105.98 (a)(25). 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 Neonatal Intensive Care Unit (NICU). The pediatric equipment includes, but is not limited to, ventilators, six Giraffes (care stations), three enteral feeding pumps, an extracorporeal membrane oxygenation (ECMO) machine, 25 Stryker bassinets, and 20 workstations on wheels (WOW).</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></p> <p>For fiscal year 2019, 84% of the Hospital’s 9,933 pediatric patients were eligible for Governmental Health Insurance Programs and were indigent, underserved, and uninsured. The Hospital anticipates an increase of 2,483 pediatric patients being served with the implementation of this project, of which approximately 1,800 are on governmental health insurance programs.</p> <p>Ventilators - The Hospital plans to purchase 12 new ventilators to replace the existing outdated ones for the patients in the NICU. The new ventilators will allow the Hospital to increase its treatment capacity for critically ill patients as well as keep critical pediatric patients local, thus reducing the necessity of transfers to facilities with newer or more readily available equipment. The outdated ventilators will be kept as emergency backups.</p> <p>Giraffes - The Hospital plans to purchase six Giraffes. The Giraffe is a multifunctional care station used at the neonatal patient's bedside. The Giraffe not only holds and consolidates equipment into one location, allowing care to be rendered immediately and expanding open space for the care team in the patient room, but also rapidly warms the neonatal patient. The Hospital currently has two Giraffes that are highly successful.</p> <p>Enteral Feeding Pumps – The Hospital currently has two old feeding pumps and rents an additional one as needed. The Hospital plans to purchase three enteral feeding pumps. An enteral feeding pump allows for the effective feeding of premature babies who have not yet developed a sucking reflex. Ensuring that the baby is able to feed and grow is essential and decreases morbidity and mortality. These three additional pumps will supplement existing, aged equipment that is less effective, while also increasing the Hospital’s capacity to care for critically ill babies by 150%.</p> <p><i>Factor 2: The grant will contribute toward the improvement of child health care or pediatric patient outcomes:</i></p> <p>Extracorporeal Membrane Oxygenation (ECMO) Machine – The Hospital plans to purchase one ECMO machine, which would provide a new service for the Hospital’s frailest population. The ECMO machine is used as a modified cardiopulmonary bypass circuit for temporary life support for patients with potentially reversible cardiac and/or respiratory failure. The ECMO machine provides a mechanism for gas exchange as well as cardiac support, thereby allowing recovery from existing lung and/or cardiac disease. The Hospital estimates it could treat five critically ill patients in its NICU per year with the addition of the ECMO machine instead of transferring them to other hospitals.</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.

Workstation on Wheels (WOW) – The Hospital plans to purchase 20 WOWs. AWOW is a mobile computer platform that allows technology to be utilized directly at the patient’s bedside, thus expediting access to critical information for patient care decisions. Currently, the Hospital’s nurses must leave the bedside to share the only existing WOW, thus taking them away from direct patient contact. Putting a WOW at the bedside of each baby in the NICU is a recognized best practice to decrease the likelihood of documentation errors and allows nurses to stay close to and observe critically ill babies.

Stryker Bassinettes – The Hospital plans to purchase 25 Stryker bassinettes. The Stryker bassinette can be pneumatically adjusted to different heights, and the bassinette's sides can be lowered as well, leading to easy access and reducing the risk of babies being dropped by medical staff or parents. This equipment also decreases the likelihood of work-related injuries, or injuries to parents and other caregivers, by allowing easy adjustment of the work surface height. The bassinette provides better access to the patient, thus improving patient care.

Factor 3. Demonstration of project readiness and project feasibility:

The Hospital anticipates to order all the equipment requested by December 1, 2020 and to receive the equipment within three to six months. The only challenge identified is the potential need to relocate neonatal patients during equipment installation, but a mitigation plan will be developed by the Hospital.

Sources of Funds:		Uses of Funds:	
Prop 4 Grant Funds	\$1,829,365.26	Equipment	\$1,829,365.26
Hospital Funds	19,665.67	Admin Costs	18,293.65
		COI	<u>1,372.02</u>
Total	<u>\$1,849,030.93</u>	Total	<u>\$1,849,030.93</u>

Legal Review: Although disclosures were made by the applicant, the information disclosed does not appear to detrimentally affect the financial viability or legal integrity of the applicant.

Staff Recommendation: Staff recommends the Authority approve Resolution No. CHP-4E 2020-15 for Tri-City Medical Center to provide a grant not to exceed \$1,829,365.26, less costs of issuance and administrative fees, and subject to all requirements of the Children’s Hospital Program of 2018.

RESOLUTION NO. CHP-4E 2020-15

**RESOLUTION OF THE CALIFORNIA HEALTH
FACILITIES FINANCING AUTHORITY APPROVING
EXECUTION AND DELIVERY OF GRANT FUNDING
UNDER THE CHILDREN'S HOSPITAL PROGRAM OF 2018
TO TRI-CITY 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 Tri-City 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 \$1,829,365.26, 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 \$1,829,365.26, 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 Tri-City Medical Center to purchase various pediatric patient care equipment for its neonatal intensive care unit.