


**MARSHALL
MEDICAL**

March 19, 2007

TO: County Supervisors
El Dorado County

FROM: James Whipple, Administrator & CEO
Marshall Medical Center

RE: **TOBACCO TAX FUND DISTRIBUTION**

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BOARD OF SUPERVISORS
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I am writing to ask that you weigh the needs of Marshall Medical Center into your decision regarding how tobacco tax funds will be distributed. The need for funds for a new jail and a new animal shelter are obvious. What may not be so obvious is the imminent need for new patient beds at Marshall. In light of the fact that the tobacco settlement was intended to fund smoking prevention and the healthcare costs associated with tobacco use, before you make a choice, I feel obligated to share with you what that choice will do for the healthcare needs of you, your families, and your friends and neighbors.

As you well know, since 1982, our population in El Dorado County has doubled. With that increase has come an aging of our population and an increased need for medical services. In this same time period, the number of beds available at Marshall has stayed exactly the same, at 105. Just this year, Marshall was the only hospital in the Sacramento region to be named by HealthGrades as one of the top 5% of hospitals in the nation for clinical excellence. You may wonder how it is possible to fit all of these patients and yet maintain incredibly high quality. It's simple...it is our talented, creative and hard working staff here at Marshall. They have done so much, with so little, for so long, it never ceases to amaze me. Our staff has worked long shifts, moved into trailers in our parking lot, given up offices to make room for beds, and, on a nearly-daily basis, have "high census" meetings to figure out how we can possibly get the patients waiting in the emergency room into hospital beds. Our staff has done everything possible and can do no more to handle this growing crisis. This county needs more hospital beds (now!), plain and simple. Here are a few specific reasons why:

- ❖ Our Emergency Room has, on a daily basis, 5 to 15 patients on gurneys in our hallways waiting to be admitted to a hospital bed.
- ❖ For the past two winters, for the majority of the time, we have had as many as 18 more patients than beds. This means we are frequently using space throughout the hospital that is not licensed for patient care.
- ❖ The State of California has threatened to close the OB service at Marshall because of the lack of space for our patients and staff. This would be terrible for our community. Our new wing includes a beautiful new OB unit, but right now there are not enough funds to complete this part of the construction project.
- ❖ Most surrounding counties have lost the independence of their local hospitals and their citizens are being forced to Sacramento and Roseville hospitals for anything beyond primary care. This is far from ideal for patients and their loved ones who visit them in the hospital.

At Marshall, for years we have had plans in the works to expand our overly crowded Emergency Room, ICU, Birth Place, and Medical/Surgical beds. The good news is that we received an

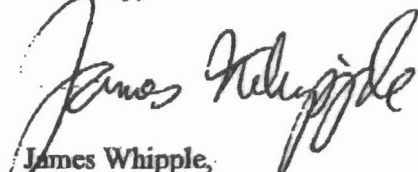
excellent bond rating and secured a very low-interest loan. The bad news is that construction costs have doubled in the short time since we began planning. In addition, last year, we provided \$300 million in uncompensated care. We also helped the County fund the start-up of the El Dorado Community Health Center for those without insurance. We also pay an El Dorado County employee to act as a Medi-Cal eligibility worker at Marshall. In most ways, we have taken on the role of the County's hospital, with no financial assistance from the County. This year is no different...we are the safety net for those in our community who cannot afford health care. We are not-for-profit and community based, with every dollar going back into medical care for the community. The dollars are not going to a hospital system's corporate office or to inefficient overhead. The fact is that we no longer have the money to be our county's safety net and to build our much-needed new wing.

It is tobacco users who are paying the tax and the highest price for their addiction, including paying for it with their shortened lives. Next to them, it is Marshall Medical Center who is paying a steep price. Patients who use tobacco have significantly longer and more expensive hospital stays, with little or no increased reimbursement to the hospital for the often extra two to thirty days of care. These extra days of care are one of the many reasons we need more beds. We are the ones who are treating these patients, many of them with no insurance, whose bodies are breaking down due to tobacco use. We've been paying for this medical care for years and never once received any funds from the tobacco tax. We've been able to make do, but we cannot afford this any longer.

If we cannot get new beds soon, the negative impact will be felt for decades to come for the residents of El Dorado County.

It was our understanding, per our agreement with the County, that for the last five years, tobacco funds would go solely to healthcare. We have seen none of those funds and would like to know where they went. It was also our understanding that we would get together with you to discuss how any additional future funds would be dispersed. We would very much like to honor that original agreement and get together soon to discuss this. Thank you for your consideration of Marshall's imminent need.

Sincerely,



James Whipple,
CEO, Marshall Medical Center



**CONFIDENTIAL
FAX TRANSMISSION**

DATE: March 19, 2007 # **PAGES W/COVER:** 3
TO: El Dorado County Board of Supervisors:ATTN Cindy Keck

COMPANY: El Dorado County Board of Supervisors
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- FROM:**
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Comments: Please contact Stacie Hubbard at 626-2601 to confirm this fax was received. Thank you.

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