



EL DORADO COUNTY
CHIEF ADMINISTRATIVE OFFICE

MEMORANDUM

Date: May 15, 2014

To: Board of Supervisors

From: Jim Claybaugh
Economic and Business Relations Manager

Subject: CEDAC Recommendation for Funding
Marshall Cancer Resource Center in Cameron Park

At a Special Meeting on May 5, 2014, the Community and Economic Development Advisory Committee (CEDAC) unanimously passed the following motion regarding Board of Supervisors Agenda Item 14-0323:

“Given the importance of Marshall Hospital in providing health care services to a majority of El Dorado County citizens and based on the social and economic benefits of supporting Marshall Hospital, as listed below, CEDAC recommends the Board of Supervisors approve a contribution of \$800,000 to Marshall Cancer Resource Center in Cameron Park to be included in fiscal year 2014/15 budget or split between the 2014/15 and 2015/16 budgets as appropriate to the facility construction schedule.”

Social and Economic Benefits of Supporting Marshall Hospital:

- Cancer is the leading cause of death in El Dorado County. It is the second leading cause of death in California. According to the most recent data, cancer accounted for 25 percent of deaths in El Dorado County.¹
- Cancer affects all age groups and its incidence increases with age. The occurrence of cancer will surely increase faster than the average in El Dorado County given that it is the fastest aging county in the State of California. In El Dorado County, the largest age group reported in the 2010 census was the 50-59 year-old-range and, since 2000, the number of people in this age group has increased over 55 percent.²
- The Marshall Cancer Resource Center in Cameron Park was established in 2004 by Marshall Medical Center to serve residents on the Western Slope of El Dorado County with comprehensive care and treatment for cancer patients and their families. The nearest such comprehensive cancer diagnostic and treatment facilities are in Sacramento.

- In 2013, the Marshall Cancer Resource Center served 375 patients of all ages. Breast cancer patients are being seen at a younger age.³
- Marshall Cancer Resource Center is the only cancer center in El Dorado County. It is affiliated with Marshall Medical Center, one of the few remaining independent, not-for-profit, community-based hospitals in the State of California. Local residents serve on the board of directors and their main goal is to respond to local medical care needs. If there is excess revenue, it is retained locally for future community needs, of which there are many outstanding (e.g., build-out of a new ICU and medical/surgical inpatient units).
- Depending on the type of cancer and course of treatment, patients may receive treatment daily for several weeks, or weekly or bi-weekly treatments for up to one year. Following the initial treatments, patients undergo follow-up tests every six months. The treatments are physically and emotionally exhausting for patients and their caregivers. Travel is difficult. Local care minimizes the difficulty.⁴
- Most cancer patients have more than one doctor. They may have an oncologist, and an internist or pediatrician, or a surgeon or ob-gyn or heart specialist, or other medical specialists. The network of clinics and medical care providers on the Western Slope through Marshall Medical Center creates close-knit coordinated care for all patient needs. Marshall Medical Center has 12 inpatient and outpatient locations in Georgetown, Placerville, Cameron Park and El Dorado Hills.⁵ If patients do not have access to local cancer care, they will go out of the county and join another health care network. All medical providers will lose patients.
- Economic studies in the past decade have continuously identified medical services and medical technology as one of the industry clusters that match El Dorado County's desire for local health care services and job creation.
 - 1) Medical services was identified as one of the top industry clusters for creating jobs in a study that focused on Folsom-El Dorado County in 2004.⁷
 - 2) In a study for El Dorado County in collaboration with the El Dorado Hills Community Foundation and the El Dorado Hills Chamber of Commerce, Medical was one of eight clusters that "present economic development potential in El

Dorado County” and that ‘generate unique benefits in the County.’⁸

³⁾ Life Sciences and Health Services (for example: medical equipment, hospitals, scientific research) was identified as one of the regional growth sectors in a study prepared for the Next Economy Regional Forum in 2011.⁹

- Good local health care is a key factor in retaining and expanding existing businesses and attracting new businesses.
- Given that there is no county operated hospital in El Dorado County, Marshall Medical Center is the only provider of Emergency and inpatient care on the Western Slope. Marshall is also one of the largest providers of care of all types (cancer, outpatient, diagnostic, physician visits, etc.) to those unable to pay. Over 70 percent of Marshall’s patients are on government programs that do not cover the cost of providing their care and, overall, Marshall receives 20 cents in payment for every dollar charged. In 2013, Marshall charged, but did not receive payment on \$696 million dollars of care, including \$34 million from those unwilling or unable to pay.
- Marshall Medical Center is a Top 5 employer in El Dorado County. In 2013, Marshall Medical Center employed 1,482 people, mostly local residents, with a payroll of \$147 million.⁵ This figure does not include physicians, who are contracted.
- ‘As the number of physicians in California and El Dorado County continues to rise, community health and preventative care services will continue to improve. An influx of physicians in a particular area raises that area’s economic and educational status.’⁶
- Good local health care is integral to stemming the flow of medical care dollars and sales taxes outside the county. Patients and their families and caregivers will dine and shop, and sometimes lodge, where they go for health care. The Marshall Cancer Center receives patients from rural counties throughout northern California. These patients and their caregivers are local guests during the treatments. El Dorado County has an opportunity to host them with lodging, restaurants, entertainment and shopping.
- With new advances in cancer treatment, and the provision of local medical care services, Marshall Medical Center and Marshall Cancer Resource Center are dedicated to reducing

cancer as the leading cause of death in El Dorado County, and helping patients to lead healthy lives.

¹'El Dorado County Economic and Demographic Profile, 2010-11,' Center for Economic Development, California State University, Chico. Source: California Department of Public Health.

²California Department of Finance, Demographic Research Unit.

³Interview with Wendy Goossen, Director, Marshall Cancer Resource Center.

⁴Interview with Wendy Goossen.

⁵Marshall Medical Center statistics, prepared by T Abraham, Business Development, Marshall Medical Center.

⁶'El Dorado County Economic and Demographic Profile, 2010-11,' Center for Economic Development, California State University, Chico. Source: Medical Board of California.

⁷'Folsom Economic Development and Industry Study, 2004' prepared for City of Folsom by Sacramento Regional Research Institute, Robert Fountain, Chief Economist.

⁸'El Dorado County Industry-Focused Economic Development Study,' June 30, 2010, Center for Strategic Economic Research.

⁹'Regional Economic Conditions and Cluster Concepts," by Center for Strategic Economic Research, for Next Economy Regional Forum, Nov. 15, 2011.'"

With this Memorandum, the recommendation of CEDAC is respectfully submitted to the Board of Supervisors.