



Market Analysis

Desert Healthcare District

March 14, 2017





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Engagement Overview

The image displays a heatmap visualization with a grid of colored squares. The colors range from dark blue to light green, with red and orange also present. The heatmap is divided into two main sections by a dark blue horizontal bar. The top section contains a grid of 11 columns and 6 rows of squares. The bottom section contains a grid of 11 columns and 4 rows of squares. The colors in the heatmap represent engagement levels, with darker colors indicating higher engagement and lighter colors indicating lower engagement. The dark blue bar at the bottom right contains the text 'Engagement Overview'.



Engagement Overview

- ▶ Desert Healthcare District (the “District”) engaged Premier, Inc. (“Premier”) to assess the current and future healthcare service needs in the greater Coachella Valley for a ten-year planning horizon. The scope of this engagement includes evaluation of the following:
 - Current service offerings of Desert Regional Medical Center (“DRMC”) and other area hospitals and healthcare organizations
 - Services residents seek from organizations located outside of the service area
 - Existing gaps in services provided in the service area
 - Service area demographics and health status trends
 - Factors that will influence demand for inpatient and outpatient healthcare services
 - Services that are likely to be needed by residents over a ten-year planning horizon
 - DRMC’s existing infrastructure, and implications related to seismic compliance

Executive Summary



Executive Summary

- ▶ On a national level, inpatient utilization is projected to decrease as the value-based care environment pressures hospitals and providers to reduce inpatient utilization and unnecessary procedures (inpatient and outpatient), and there is an increased focus on chronic disease management and prevention for patients. Within the District's service area, total inpatient discharges decreased by 2.0 percent between calendar years ("CY") 2012 and 2015, while the overall use rate (discharges per 1,000 population) decreased by 5.5 percent during this same time period. This trend will continue due to the following:
 - Continued rise of high-deductible insurance plans that constrain medical use
 - Impact of value-based care models (e.g., accountable care organizations, bundled payments, patient-centered medical homes [e.g., Comprehensive Primary Care Plus ("CPC+")], risk-based payment contracts, and performance-based physician incentives) that seek to achieve enhanced coordination of care, better quality outcomes, and reduced costs across care settings
 - Patients treated under these models typically have lower lengths of stay and less readmissions
 - Providers are seeking to reduce preventable hospitalizations for acute and chronic conditions, and preventable readmissions by ensuring patients receive home-based disease management programs and outpatient care, instead of accessing hospital care



Executive Summary

- Shift in volumes from inpatient to observation status through the two-midnight census rule implemented by the Centers for Medicare & Medicaid Services (“CMS”) in October, 2013, and the continued shift in inpatient volume to outpatient care settings for ambulatory case-sensitive admissions (e.g., uncontrolled diabetes, hypertension, dehydration)
 - Providers are aggressively increasing intensive medical management for chronic conditions on an outpatient basis
- ▶ However, within District’s service area, demand for healthcare services is projected to continue to exist for the following reasons:
- Service area demographic and health status trends imply that demand for healthcare services will increase during the projection period.
 - The service area’s population age cohort 65 years and older is projected to grow rapidly over the next ten years. As the population ages, the community and its hospitals are likely to experience an increased demand for services such as internal medicine, cardiovascular services, gastroenterology, neurosciences, oncology, orthopedics, pulmonary medicine, and urology, and higher needs for chronic disease management. Further, growth is projected in the population age cohorts 0-14 years, 15-44 years overall and for those whom are female, and 45-64 years. As a result, demand for pediatric (inpatient and outpatient), obstetrics, and elective sub-specialty care will continue to grow in the District’s service area.



Executive Summary

- When compared to state, the District's service area has worse health status outcomes for almost all metrics. Additionally, portions of the District's service area population are underserved, and opportunities exist to improve the overall health of the community with a focus on wellness and prevention through increased access to coordinated primary and specialty care services. This implies an increased demand for inpatient and outpatient healthcare services in the service area.
 - Portions of the service area are designated as a Health Professional Shortage Area, Medically Underserved Area, or both, thereby implying that a shortage of primary care physicians exists in this geographic region.
 - Most of the healthcare facilities are located in and around the surrounding communities of Palm Springs and Indio. When considering the healthcare needs of the broader service area, there is a geographic misdistribution of these facilities, and patient access limitations exist in the outlying communities (e.g., Mecca, Thermal/Oasis).
- ▷ Based upon the service area bed need projections provided on pages 58 through 70 of this report, there is adequate inpatient capacity to support community demand in the service area for general acute care services. However, these projections do not account for in-migration and the regional draw each hospital has for clinical services. When considering each hospital's inpatient volume that originates from the service area, market share, and scope of clinical services provided:
- DRMC is near- or over-capacity for the following inpatient licensed bed types: critical care, obstetrics, and pediatrics.



Executive Summary

- There is a significant shortage of inpatient psychiatric beds at both Eisenhower Medical Center and Telecare Riverside County Psychiatric Health Facility, and there are no inpatient psychiatric providers for pediatric and adolescent patients. Further, the scope of inpatient and outpatient psychiatric services provided by each facility is limited. Gaps in culturally-appropriate inpatient and outpatient psychiatric clinical programs exist for the following patient cohorts:
 - Pediatric and adolescents
 - Veterans
 - Lesbian, gay, bisexual, and transgenders
 - Geriatrics
 - Latinos
- Patients age 0-14 years represent approximately eight percent (3,475 inpatient discharges) of the service area's total inpatient volume in CY 2015. While DRMC was the market share leader for inpatient pediatric services overall (39.6 percent), almost 28 percent of the service area's pediatric patients left the area for care. This trend implies a need for increased access to pediatric sub-specialty providers across almost all medical and surgical specialties in the District's service area.



Executive Summary

- ▶ There is a shortage of ED stations in the District's service area, as well as at DRMC specifically. Given the successful implementation of the Medi-Cal expansion program and the roll-out of the Covered California Healthcare Exchange, demand for ED services in the service area will continue as patients continue to use this modality as a form of primary care, and population growth will result in increased demand for instant access to care.
- ▶ Based upon quantitative analyses and qualitative input received from interviewees:
 - Patient access to primary care services provided by community-based clinics is limited. Outpatient clinics operate at- or near-capacity (e.g., facility, provider), and long wait times exist for patients to be seen. Similar to psychiatric services, opportunities exist to provide culturally-appropriate primary care services for the following patient cohorts:
 - Pediatric and adolescents
 - Veterans
 - Lesbian, gay, bisexual, and transgenders
 - Geriatrics
 - Latinos
 - Given that the outpatient clinics are at- or near-capacity, there is very little patient care coordination and chronic disease management services provided.
 - Access to acute rehabilitation, skilled nursing, home health, ambulatory surgery, and imaging services is adequate to meet community needs in the District's service area.



Service Area Overview

The image displays a heatmap representing a service area overview. The heatmap is composed of a grid of colored squares. The colors range from dark blue to light green, with a prominent dark blue horizontal bar at the bottom right containing the text 'Service Area Overview'. The top left corner features the Premier logo and the word 'PREMIER'. The heatmap shows a complex pattern of colors, with a large red and orange area in the upper left, a large blue area in the upper right, and a large green area in the lower left. The dark blue bar at the bottom right is a solid color, while the rest of the heatmap is a mosaic of various shades.

Service Area Overview

- ▶ The service area was defined by the District as the 25 ZIP Codes located in the Coachella Valley.
- ▶ A series of maps are provided on the following pages, including:
 - Service area geographic boundaries
 - Service area overview identifying portions of the geographic region that are designated by the Federal Government as a Health Professional Shortage Area (“HPSA”) or Medically Underserved Area (“MUA”)
 - Service area overview illustrating healthcare facilities located within this geographic region by facility type

**Desert Healthcare District
Coachella Valley Service Area Definition**

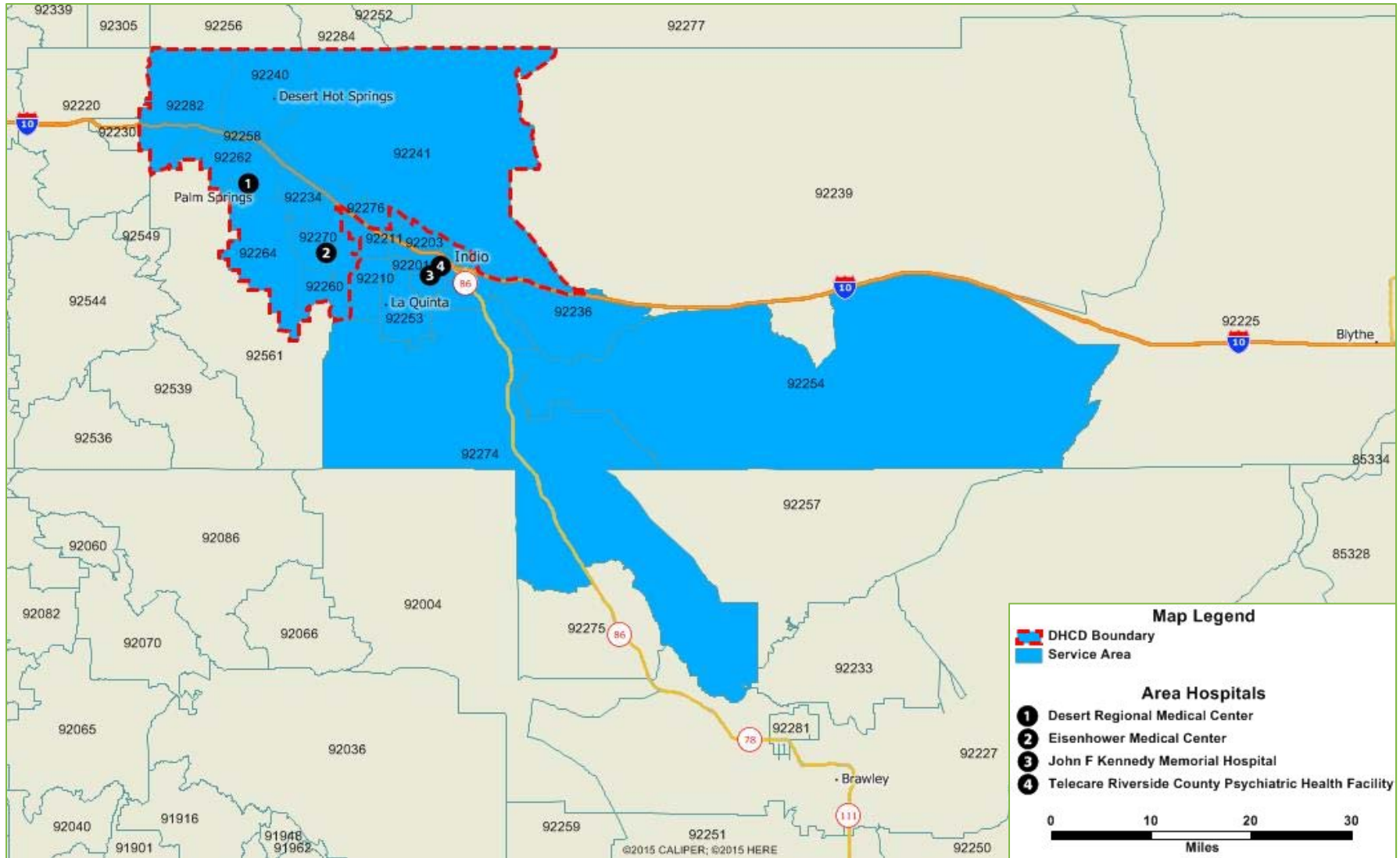
Desert Healthcare District		East of the District	
ZIP Code	City	ZIP Code	City
92234	Cathedral City	92201	Indio
92235	Cathedral City	92202	Indio
92240	Desert Hot Springs	92203	Indio
92241	Desert Hot Springs	92210	Indian Wells
92255	Palm Desert	92211	Palm Desert
92258	North Palm Springs	92236	Coachella
92260	Palm Desert	92247	La Quinta
92261	Palm Desert	92248	La Quinta
92262	Palm Springs	92253	La Quinta
92263	Palm Springs	92254	Mecca/North Shore
92264	Palm Springs	92274	Thermal/Oasis
92270	Rancho Mirage		
92276	Thousand Palms		
92282	White Water		

https://share.premierinc.com/sites/pcs/ICD/Folder/West_Coast_Advisory_Services/Clients/Desert_Healthcare_District/Needs_Assessment/Analysis/Desert_Healthcare_Patient_Origin_Table.xlsxDHCD

Source: Desert Healthcare District



Service Area Overview

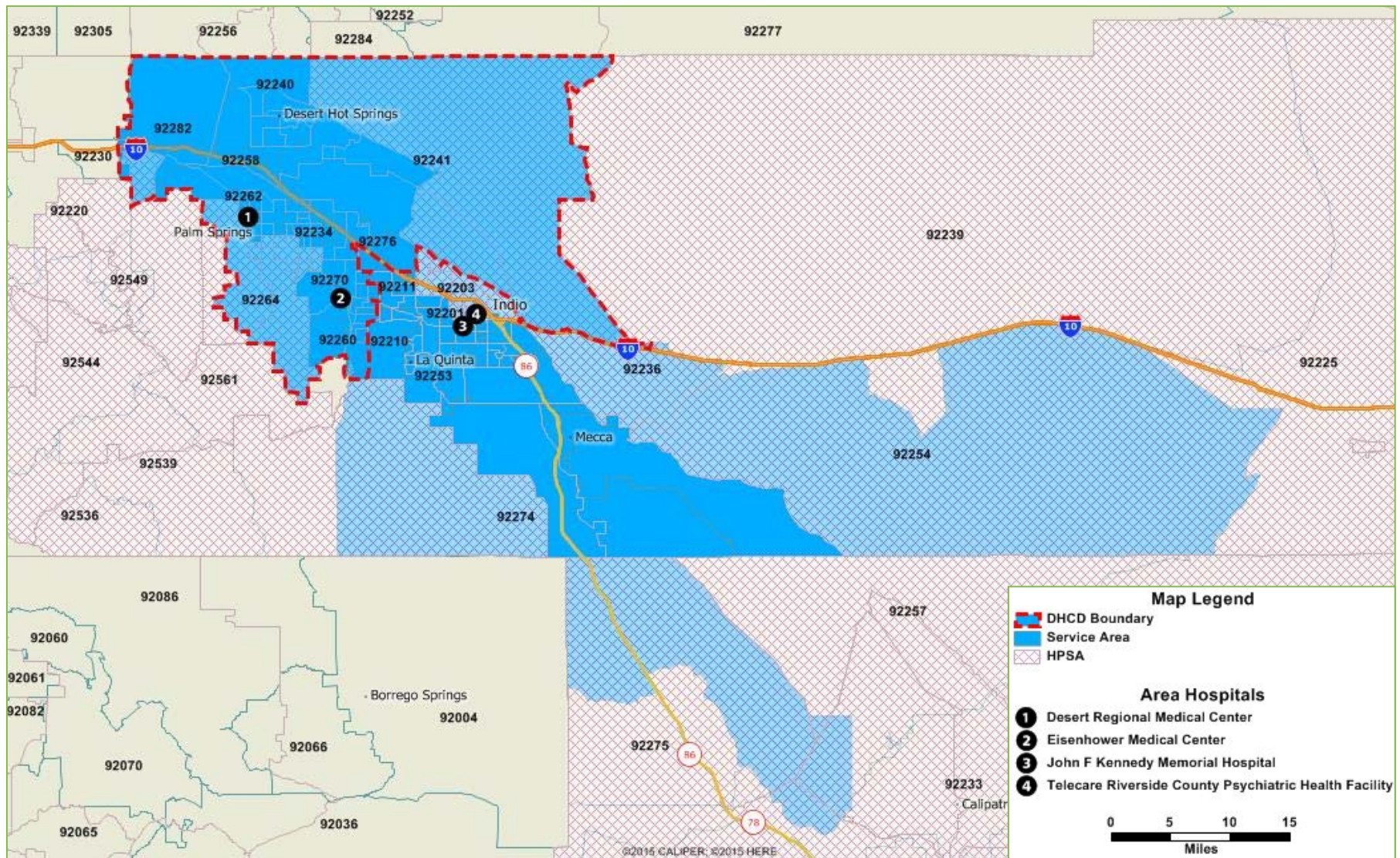




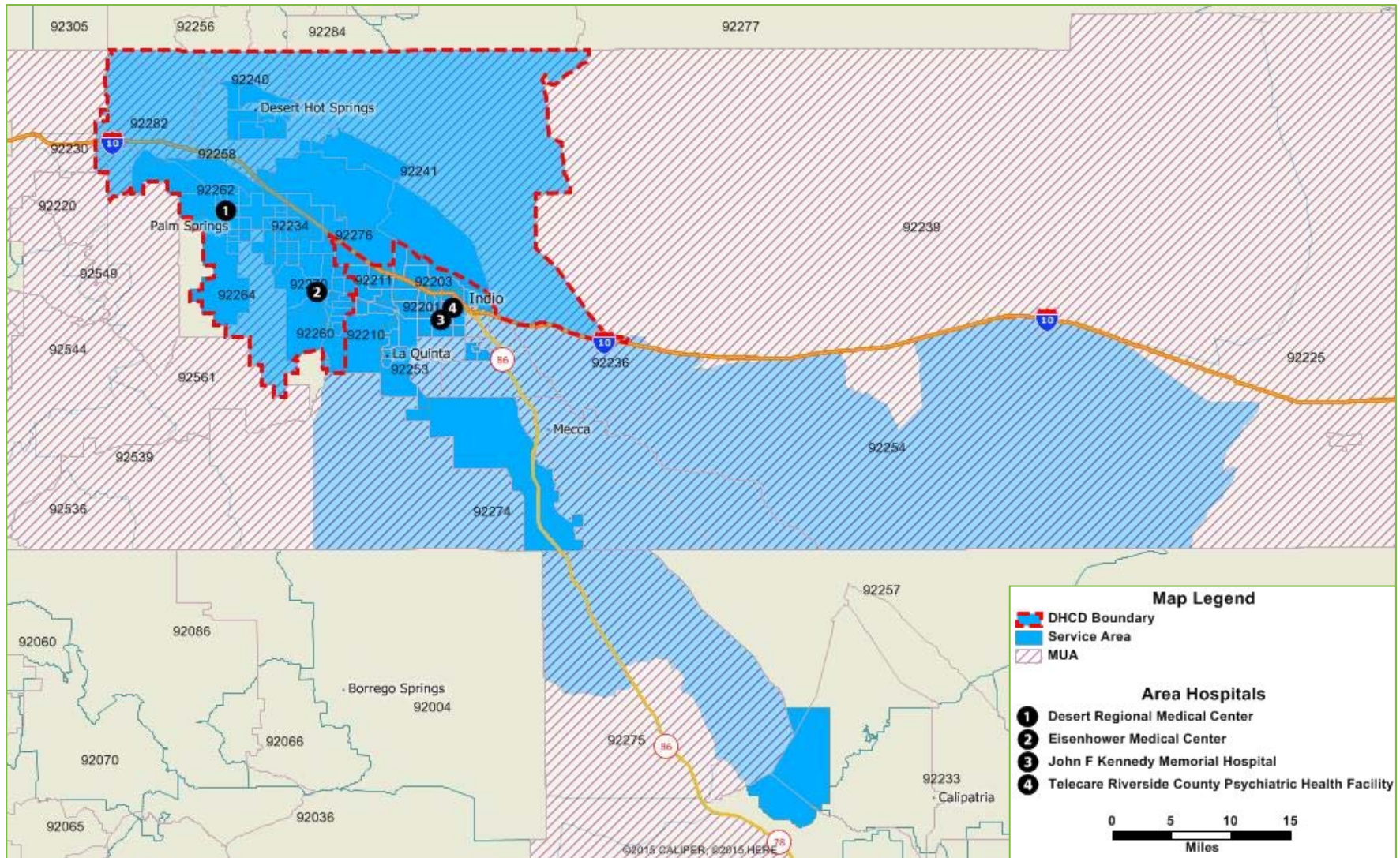
Health Professional Shortage Areas and Medically Underserved Areas

- ▶ The Federal Government defines a HPSA as an area, facility, or population group with a shortage of primary care physicians, as defined by a population-to-primary care physician ratio greater than 3,500:1. Other factors taken into consideration include the poverty rate, infant mortality rate, fertility rate, and indicators of insufficient capacity to meet area need.
- ▶ A MUA is defined as an area, facility, or population group with an Index of Medical Underservice (“IMU”) less than or equal to 62 out of 100. The IMU is calculated by taking into consideration the ratio of primary medical care physicians per 1,000 population, infant mortality rate, percentage of the population with an income below the poverty level, and the percentage of people age 65 or older. These factors are converted to weighted values and then summed to obtain an IMU score for a particular area.
- ▶ Portions of the District’s service area have been designated as a HPSA, MUA, or both. Maps illustrating these analyses are provided on the following two pages.

Health Professional Shortage Area



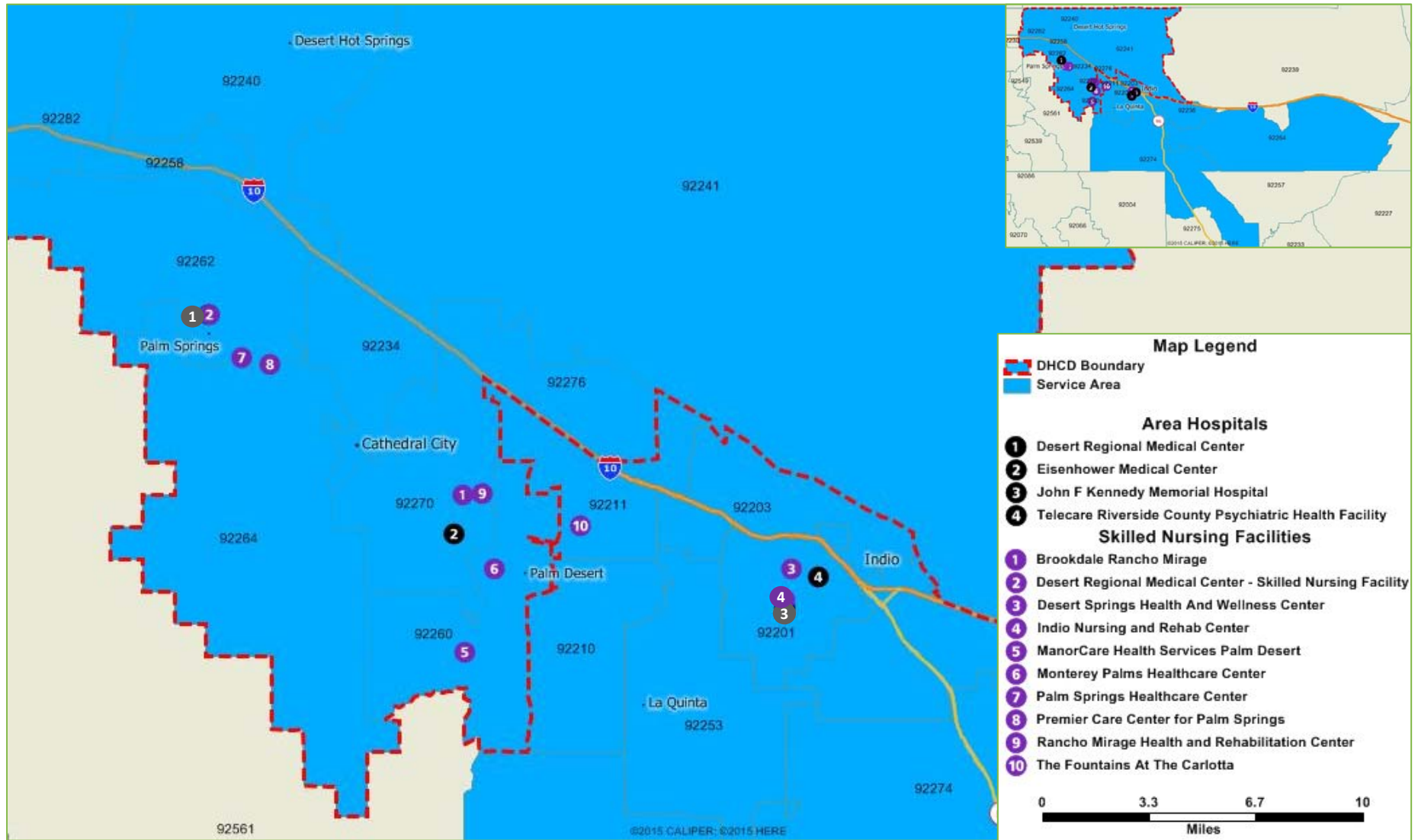
Medically Underserved Area



Source: Desert Healthcare District, Definitive Healthcare, Maptitude, Health Resources and Services Administration

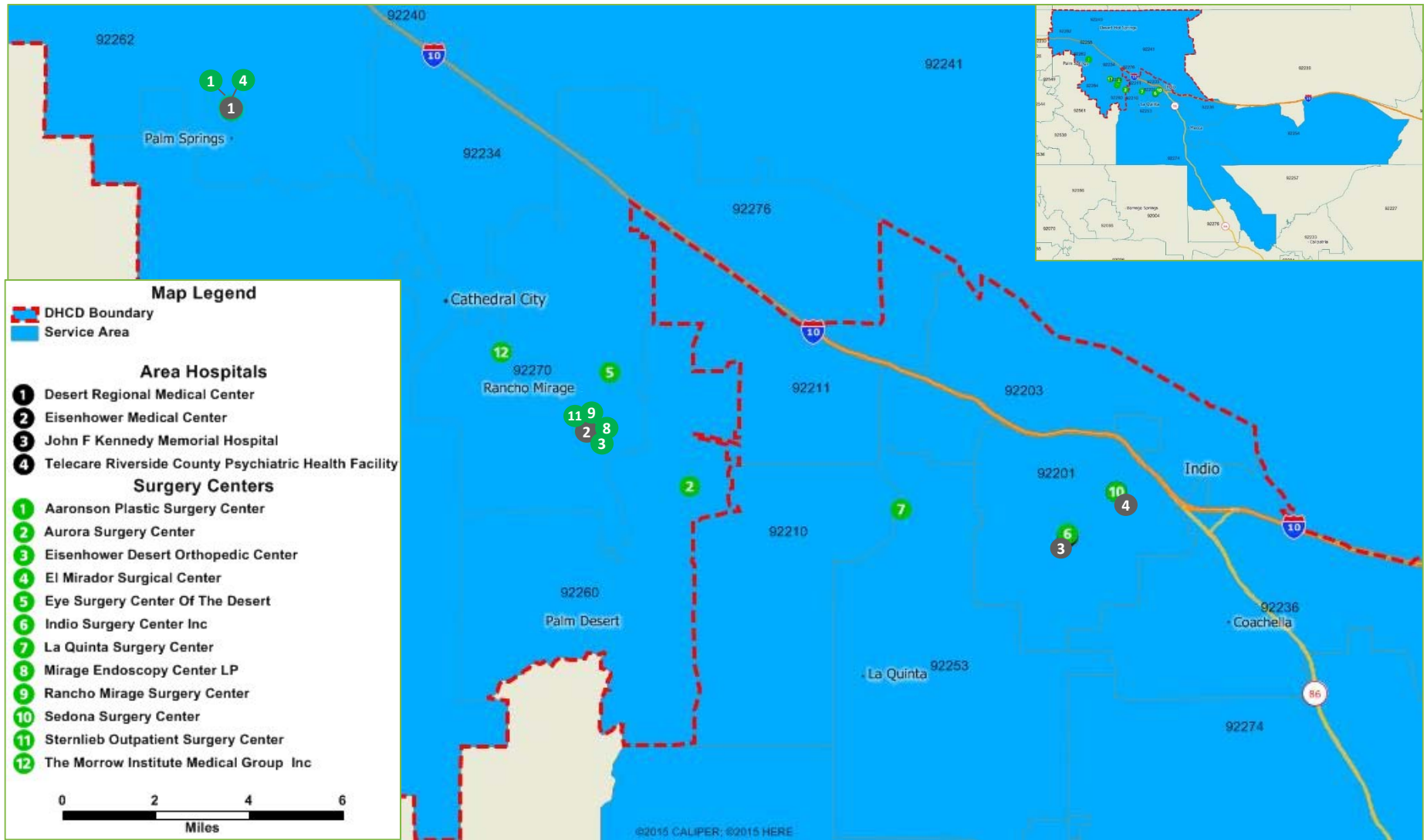


Service Area Overview Illustrating Skilled Nursing Facilities



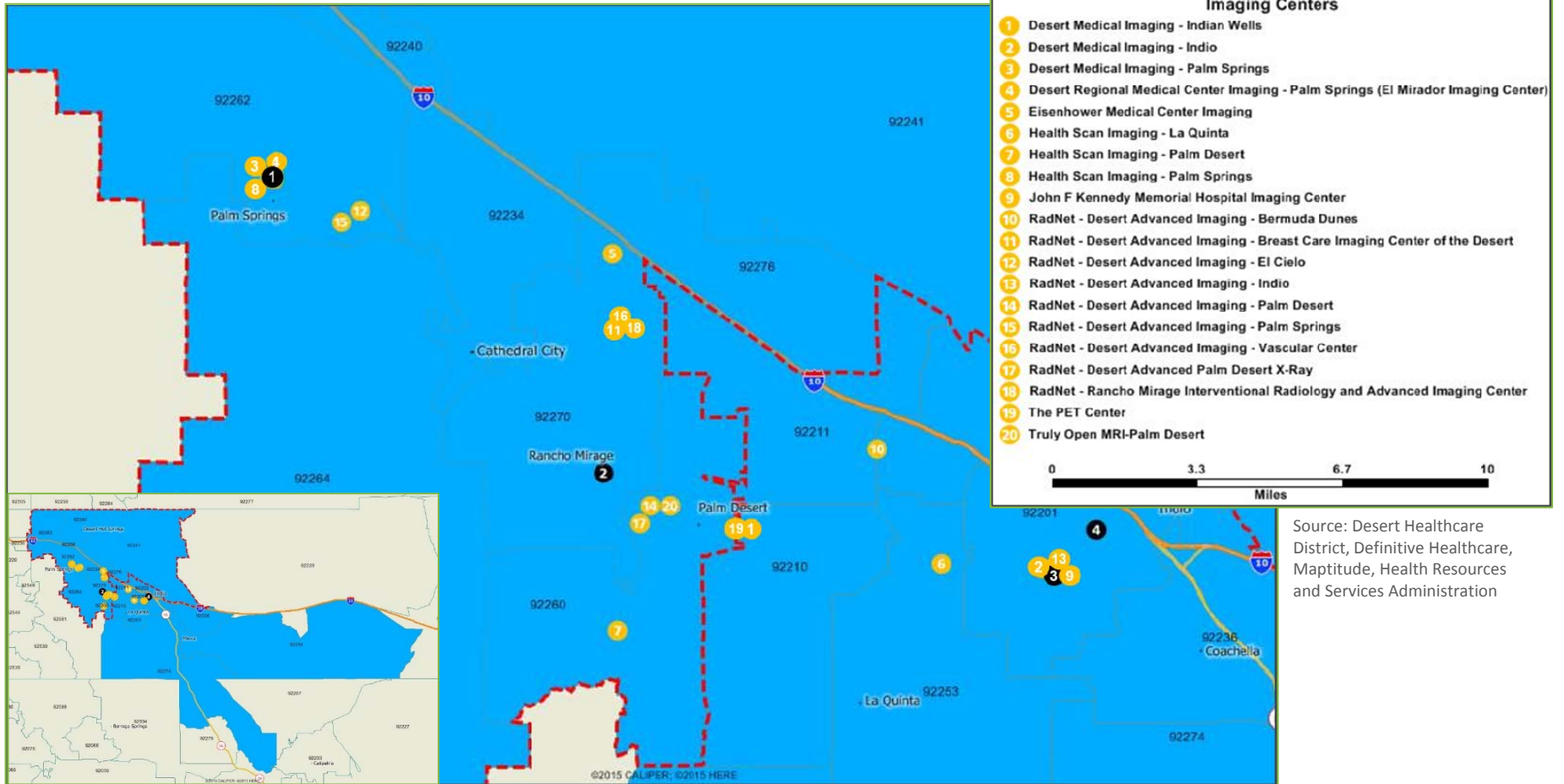


Service Area Overview Illustrating Ambulatory Surgery Centers

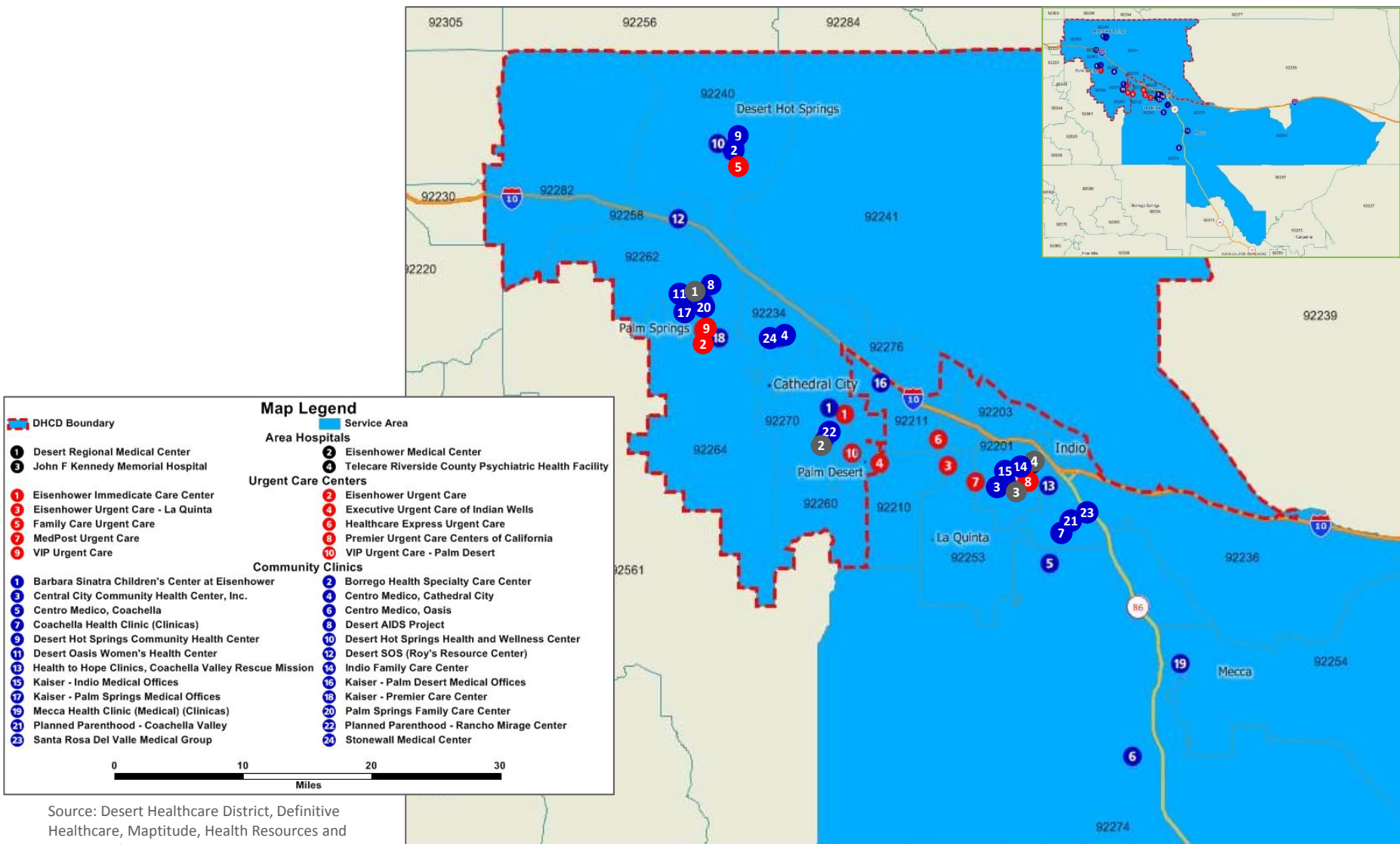


Source: Desert Healthcare District, Definitive Healthcare, Maptitude, Health Resources and Services Administration

Service Area Overview Illustrating Imaging Centers



Service Area Overview Illustrating Health Clinics and Urgent Care Centers





Population Profile

- ▶ The population for the District’s service area is projected to experience moderate growth over the next ten years.
 - The table provided on the following page illustrates the projected growth in population for each age cohort (e.g., 0-14 years, 15-44 years, 45-64 years, and 65 years and older) in the District’s service area and for the state of California overall.
- ▶ Premier validated the District’s service area population, and growth trends thereof, by comparing the Claritas, Inc. projection data to the latest data available from the following agencies as of July, 2016: Health Resources and Services Administration, Migration Policy Institute, Clinton Foundation, Health Assessment and Research for Communities, Inc., and the University of Southern California Sol Price Center for Social Innovation. Information collected from these sources indicates that the total population estimated by Claritas, Inc. is understated due to the impact of seasonal residents (e.g., snowbirds) and undocumented, migrant workers. Therefore, Premier adjusted the population statistics in this report to account for these two population cohorts as follows:
 - **Undocumented Residents and Migrant Workers:** The District’s service area is located in the Riverside, San Bernardino, and Ontario metropolitan statistical area (“MSA”). According to the Migration Policy Institute, there were 258,214 undocumented residents in this geographic region in CY 2015. Premier calculated the number of undocumented residents in the District’s service area based upon the proportion of the population this geographic represented within the overall MSA, and adjusted the annual population upwards to include these residents (26,926 undocumented residents in CY 2015).
 - **Seasonal Residents:** Snowbirds account for an additional 100,000 residents during the winter season. “High” (e.g., winter season) and “low” (e.g. summer season) population estimates were calculated to reflect the shifts in population and seasonal demand for healthcare services within the service area.

Population Profile

- ▶ The service area’s population age cohort 65 years and older is projected to grow at a rapid compound annual rate (2.4 percent).
 - As the population ages, the community and its hospitals are likely to experience an increased demand for services such as internal medicine, cardiovascular services, gastroenterology, neurosciences, oncology, orthopedics, pulmonary medicine, and urology, and higher needs for chronic disease management.
- ▶ The population age cohort 15-44 years overall, and for those whom are female, is projected to grow at moderate rates over the next ten years. This implies that the demand for elective sub-specialty care and obstetrics will continue to grow in the District’s service area for the duration of the projection period.
- ▶ The population age cohorts 0-14 is projected to increase slowly over the next ten years. As a result, demand for inpatient and outpatient pediatric services will continue to exist in the District’s service area over the ten-year projection period.

Desert Healthcare District
Service Area vs. the State of California - Population by Age Cohort
Calendar Years 2016 to 2026

Age Cohort	CAGR ⁽¹⁾	Estimated 2016		Projected 2021		Projected 2026		Percent Change 2016 - 2026
		Number	Percent of Total	Number	Percent of Total	Number	Percent of Total	
Service Area - High Estimate ⁽²⁾								
0 - 14	0.5%	114,029	19.4%	117,181	18.8%	120,419	18.1%	5.6%
15 - 44	1.4%	210,958	35.9%	225,618	36.1%	241,296	36.3%	14.4%
45 - 64	0.4%	138,432	23.5%	141,282	22.6%	144,190	21.7%	4.2%
65 +	2.4%	124,917	21.2%	140,854	22.5%	158,825	23.9%	27.1%
Total	1.2%	588,336	100.0%	624,934	100.0%	664,731	100.0%	13.0%
Women 15 - 44	1.3%	101,462	17.2%	108,490	17.4%	116,005	17.5%	14.3%
Median Age	0.2%		40.3		40.7		40.8	1.2%
Service Area - Low Estimate ⁽³⁾								
0 - 14	0.5%	95,883	19.4%	98,492	18.8%	101,172	18.1%	5.5%
15 - 44	1.3%	177,387	35.9%	189,635	36.1%	202,729	36.3%	14.3%
45 - 64	0.4%	116,402	23.5%	118,749	22.6%	121,144	21.7%	4.1%
65 +	2.4%	105,038	21.2%	118,390	22.5%	133,440	23.9%	27.0%
Total	1.2%	494,710	100.0%	525,266	100.0%	558,484	100.0%	12.9%
Women 15 - 44	1.3%	85,316	17.2%	91,188	17.4%	97,463	17.5%	14.2%
Median Age	0.2%		40.3		40.7		40.8	1.2%
California								
0 - 14	0.3%	7,680,367	19.5%	7,792,956	18.9%	7,907,195	18.2%	3.0%
15 - 44	0.4%	16,495,947	41.9%	16,854,986	40.9%	17,221,840	39.7%	4.4%
45 - 64	0.8%	9,944,666	25.3%	10,371,255	25.1%	10,816,143	24.9%	8.8%
65 +	3.5%	5,235,493	13.3%	6,229,524	15.1%	7,412,286	17.1%	41.6%
Total	0.9%	39,356,473	100.0%	41,248,721	100.0%	43,357,464	100.0%	10.2%
Women 15 - 44	0.4%	8,057,276	20.5%	8,205,868	19.9%	8,357,200	19.3%	3.7%
Median Age	0.7%		36.4		37.7		38.0	4.3%

West_Coast_Advisory_Services/Clients/Desert_Healthcare_District/Needs_Assessment/Analysis/Desert_Healthcare_Demographic_Tables_High_Low_Estimate.xlsx|Pop_Table

Source: Claritas, Inc., Health Resources and Services Administration, Migration Policy Institute, Clinton Foundation, Health Assessment and Research for Communities, Inc., Southern California Sol Price Center for Social Innovation

(1) CAGR is the compound annual growth rate, or the percent change in each year

(2) High estimate includes seasonal residents

(3) Excludes seasonal residents.

Projected Population by ZIP Code

Desert Healthcare District Service Area Population by ZIP Code Calendar Years 2016 to 2026

ZIP Code	Community Name	CAGR ⁽¹⁾	High Estimate ⁽²⁾					Low Estimate ⁽³⁾				
			2016	2021	2026	Percent Change 2016 - 2026	Service Area Population, CY 2016	2016	2021	2026	Percent Change 2016 - 2026	Service Area Population, CY 2016
92201	Indio	1.1%	82,695	87,130	91,897	11.1%	14.1%	69,535	73,239	77,214	11.0%	14.1%
92202	Indio*	-	-	-	-	-	0.0%	-	-	-	-	0.0%
92203	Indio	2.0%	39,330	43,406	47,955	21.9%	6.7%	33,071	36,472	40,278	21.8%	6.7%
92210	Indian Wells	0.6%	6,785	7,008	7,245	6.8%	1.2%	5,706	5,892	6,088	6.7%	1.2%
92211	Palm Desert	1.5%	33,893	36,592	39,548	16.7%	5.8%	28,499	30,752	33,222	16.6%	5.8%
92234	Cathedral City	0.9%	68,353	71,627	75,136	9.9%	11.6%	57,475	60,210	63,134	9.8%	11.6%
92235	Cathedral City*	-	-	-	-	-	0.0%	-	-	-	-	0.0%
92236	Coachella	1.5%	57,101	61,595	66,511	16.5%	9.7%	48,014	51,764	55,873	16.4%	9.7%
92240	Desert Hot Springs	1.4%	49,002	52,616	56,556	15.4%	8.3%	41,204	44,221	47,512	15.3%	8.3%
92241	Desert Hot Springs	2.0%	13,040	14,433	15,991	22.6%	2.2%	10,965	12,127	13,430	22.5%	2.2%
92247	La Quinta*	-	-	-	-	-	0.0%	-	-	-	-	0.0%
92248	La Quinta*	-	-	-	-	-	0.0%	-	-	-	-	0.0%
92253	La Quinta	1.4%	52,293	55,985	60,000	14.7%	8.9%	43,972	47,053	50,407	14.6%	8.9%
92254	Mecca/North Shore	1.4%	17,601	18,824	20,152	14.5%	3.0%	14,800	15,821	16,930	14.4%	3.0%
92255	Palm Desert*	-	-	-	-	-	0.0%	-	-	-	-	0.0%
92258	North Palm Springs	-	-	-	-	-	0.0%	-	-	-	-	0.0%
92260	Palm Desert	0.6%	40,507	41,711	42,994	6.1%	6.9%	34,061	35,068	36,132	6.1%	6.9%
92261	Palm Desert*	-	-	-	-	-	0.0%	-	-	-	-	0.0%
92262	Palm Springs	1.1%	35,392	37,397	39,556	11.8%	6.0%	29,760	31,434	33,235	11.7%	6.0%
92263	Palm Springs*	-	-	-	-	-	0.0%	-	-	-	-	0.0%
92264	Palm Springs	0.6%	24,708	25,467	26,276	6.3%	4.2%	20,776	21,411	22,082	6.3%	4.2%
92270	Rancho Mirage	1.0%	23,379	24,592	25,896	10.8%	4.0%	19,658	20,672	21,759	10.7%	4.0%
92274	Thermal/Oasis	1.0%	32,510	34,157	35,924	10.5%	5.5%	27,337	28,712	30,185	10.4%	5.5%
92276	Thousand Palms	1.1%	10,067	10,632	11,240	11.7%	1.7%	8,465	8,937	9,444	11.6%	1.7%
92282	White Water	1.0%	1,679	1,764	1,855	10.5%	0.3%	1,412	1,483	1,559	10.4%	0.3%
Total		1.2%	588,336	624,934	664,731	13.0%	100.0%	494,710	525,266	558,484	12.9%	100.0%

/West_Coast_Advisory_Services/Clients/Desert_Healthcare_District/Needs_Assessment/Analysis/[Population_by_zip_code.xlsx]Population by ZIP

Source: Claritas, Inc., Health Resources and Services Administration, Migration Policy Institute, Clinton Foundation, Health Assessment and Research for Communities, Inc., Southern California Sol Price Center for Social Innovation

* Represents a ZIP code for P.O. Boxes

(1) CAGR is the compound annual growth rate, or the percent change in each year

(2) Includes seasonal residents

(3) Excludes seasonal residents

Population Profile by Service Area: High Estimate

Desert Healthcare District
 Current District vs. East Valley - Population by Age Cohort
 High Estimate⁽²⁾
 Calendar Years 2016 to 2026

Age Cohort	CAGR ⁽¹⁾	Estimated 2016		Projected 2021		Projected 2026		Percent Change 2016 - 2026
		Number	Percent of Total	Number	Percent of Total	Number	Percent of Total	
Current District Service Area								
0 - 14	0.7%	45,991	15.3%	47,732	15.1%	49,507	14.8%	7.6%
15 - 44	1.4%	91,907	30.6%	98,308	31.0%	105,074	31.4%	14.3%
45 - 64	-0.3%	76,334	25.4%	75,092	23.7%	73,828	22.0%	-3.3%
65 +	2.2%	85,788	28.6%	95,699	30.2%	106,638	31.8%	24.3%
Total	1.1%	300,020	100.0%	316,831	100.0%	335,047	100.0%	11.7%
Women 15 - 44	1.4%	44,842	14.9%	48,161	15.2%	51,823	15.5%	15.6%
Median Age	0.1%		48.3		48.6		48.9	1.2%
East Valley Service Area								
0 - 14	0.4%	66,891	23.2%	68,309	22.2%	69,775	21.2%	4.3%
15 - 44	1.3%	118,679	41.2%	126,672	41.1%	135,216	41.0%	13.9%
45 - 64	1.3%	62,856	21.8%	67,179	21.8%	71,805	21.8%	14.2%
65 +	2.9%	39,890	13.8%	45,944	14.9%	52,888	16.0%	32.6%
Total	1.3%	288,316	100.0%	308,104	100.0%	329,684	100.0%	14.3%
Women 15 - 44	1.3%	56,875	19.7%	60,521	19.6%	64,408	19.5%	13.2%
Median Age	0.5%		33.7		34.6		35.5	5.4%

/West_Coast_Advisory_Services/Clients/Desert_Healthcare_District/Needs_Assessment/Analysis/Rev_Demographics/[Desert_Demographic_Tables_High_Estimate.xlsx]Pop_Table

Source: Claritas, Inc., Health Resources and Services Administration, Migration Policy Institute, Clinton Foundation, Health Assessment and Research for Communities, Inc., Southern California Sol Price Center for Social Innovation

Note: The total for each age cohort for the Current District Service Area and the East Valley Service Area when calculated separately may not foot to the combined service area population table by age cohort due to rounding.

(1) CAGR is the compound annual growth rate, or the percent change in each year

(2) High estimate includes seasonal residents

Population Profile by Service Area: Low Estimate

Desert Healthcare District
 Current District vs. East Valley - Population by Age Cohort"
 Low Estimate⁽²⁾
 Calendar Years 2016 to 2026

Age Cohort	CAGR ⁽¹⁾	Estimated 2016		Projected 2021		Projected 2026		Percent Change 2016 - 2026
		Number	Percent of Total	Number	Percent of Total	Number	Percent of Total	
Current District Service Area								
0 - 14	0.7%	38,673	15.3%	40,122	15.1%	41,596	14.8%	7.6%
15 - 44	1.3%	77,281	30.6%	82,634	31.0%	88,284	31.4%	14.2%
45 - 64	-0.3%	64,186	25.4%	63,119	23.7%	62,030	22.0%	-3.4%
65 +	2.2%	72,136	28.6%	80,440	30.2%	89,598	31.8%	24.2%
Total	1.1%	252,276	100.0%	266,314	100.0%	281,509	100.0%	11.6%
Women 15 - 44	1.4%	37,706	14.9%	40,482	15.2%	43,542	15.5%	15.5%
Median Age	0.1%		48.3		48.6		48.9	1.2%
East Valley Service Area								
0 - 14	0.4%	56,246	23.2%	57,412	22.2%	58,620	21.2%	4.2%
15 - 44	1.3%	99,793	41.2%	106,464	41.1%	113,598	41.0%	13.8%
45 - 64	1.3%	52,853	21.8%	56,462	21.8%	60,325	21.8%	14.1%
65 +	2.9%	33,542	13.8%	38,615	14.9%	44,432	16.0%	32.5%
Total	1.3%	242,434	100.0%	258,952	100.0%	276,975	100.0%	14.2%
Women 15 - 44	1.2%	47,824	19.7%	50,866	19.6%	54,110	19.5%	13.1%
Median Age	0.5%		33.7		34.6		35.5	5.4%

/West_Coast_Advisory_Services/Clients/Desert_Healthcare_District/Needs_Assessment/Analysis/Rev_Demographics/[Desert_Demographic_Tables_Low_Estimate.xlsx]Pop_Table

Source: Claritas, Inc., Health Resources and Services Administration, Migration Policy Institute, Clinton Foundation, Health Assessment and Research for Communities, Inc., Southern California Sol Price Center for Social Innovation

Note: The total for each age cohort for the Current District Service Area and the East Valley Service Area when calculated separately may not foot to the combined service area population table by age cohort due to rounding.

(1) CAGR is the compound annual growth rate, or the percent change in each year

(2) Excludes seasonal residents

Ethnicity Profile

- ▶ A large portion of the service area population is Hispanic. Given the projected growth and the fact that statistically, Hispanics have higher incidence rates of diabetes, heart disease, and obesity, it is anticipated that there will be an increased demand for cardiovascular services, endocrinology, gastroenterology, and orthopedics in the District's service area.

Desert Healthcare District
Service Area vs. the State of California - Ethnic Profile
Calendar Years 2016 to 2026

Ethnicity	CAGR ⁽¹⁾	Estimated 2016		Projected 2021		Projected 2026	
		Number	Percent of Total	Number	Percent of Total	Number	Percent of Total
Service Area - High Estimate ⁽²⁾							
Hispanics	1.5%	272,735	46.4%	293,583	47.0%	316,398	47.6%
Non-Hispanics							
White	0.9%	284,102	48.3%	297,747	47.6%	312,415	47.0%
Black	1.1%	11,495	2.0%	12,129	1.9%	12,813	1.9%
American Indian/Alaskan/Aleutian	0.1%	1,742	0.3%	1,752	0.3%	1,764	0.3%
Asian/Hawaiian/Pacific Islander	1.2%	11,952	2.0%	12,666	2.0%	13,438	2.0%
Other	2.3%	6,310	1.1%	7,057	1.1%	7,902	1.2%
Subtotal	1.0%	315,601	53.6%	331,351	53.0%	348,333	52.4%
Total	1.2%	588,336	100.0%	624,934	100.0%	664,731	100.0%
Service Area - Low Estimate ⁽³⁾							
Hispanics	1.5%	272,735	55.1%	293,583	55.9%	316,365	56.6%
Non-Hispanics							
White	0.8%	190,476	38.5%	198,079	37.7%	206,206	36.9%
Black	1.1%	11,495	2.3%	12,129	2.3%	12,812	2.3%
American Indian/Alaskan/Aleutian	0.1%	1,742	0.4%	1,752	0.3%	1,764	0.3%
Asian/Hawaiian/Pacific Islander	1.2%	11,952	2.4%	12,666	2.4%	13,437	2.4%
Other	2.3%	6,310	1.3%	7,057	1.3%	7,901	1.4%
Subtotal	0.9%	221,975	44.9%	231,683	44.1%	242,120	43.4%
Total	1.2%	494,710	100.0%	525,266	100.0%	558,484	100.0%
California							
Hispanics	1.6%	15,372,373	39.1%	16,635,860	40.3%	18,014,072	41.5%
Non-Hispanics							
White	-0.2%	14,846,542	37.7%	14,691,869	35.6%	14,547,591	33.6%
Black	0.2%	2,198,666	5.6%	2,224,149	5.4%	2,251,287	5.2%
American Indian/Alaskan/Aleutian	0.2%	163,906	0.4%	165,455	0.4%	167,120	0.4%
Asian/Hawaiian/Pacific Islander	2.1%	5,565,571	14.1%	6,177,171	15.0%	6,860,122	15.8%
Other	2.3%	1,209,415	3.1%	1,354,217	3.3%	1,517,272	3.5%
Subtotal	0.5%	23,984,100	60.9%	24,612,861	59.7%	25,343,391	58.5%
Total	0.9%	39,356,473	100.0%	41,248,721	100.0%	43,357,464	100.0%

\\thcare_District\Needs_Assessment\Analysis\Desert_Healthcare_Demographic_Tables_High_Low_Estimate.xlsx\Ethnicity_Table

Source: Claritas, Inc., Health Resources and Services Administration, Migration Policy Institute

(1) CAGR is the compound annual growth rate, or the percent change in each year

(2) High estimate includes seasonal residents

(3) Excludes seasonal residents.

Socioeconomic Profile

- ▶ A large proportion of household incomes in the District's service area are estimated to be below \$50,000 in CY 2016 (52.6 percent). During this same time period, the service area is expected to have lower median and average household incomes in comparison to the State.
 - It is likely that a large portion of the service area population is covered by Medi-Cal since the program's eligibility was extended to 138 percent of the Federal Poverty Level.

Desert Healthcare District
Service Area vs. the State of California - Socioeconomic Profile
Calendar Years 2016 to 2026

Socioeconomic Indicator	CAGR ⁽¹⁾	Estimated 2016	Projected 2021	Projected 2026	Percent Change 2016 - 2026
Service Area					
Median Household Income	1.1%	\$47,296	\$49,904	\$52,656	11.3%
Average Household Income	1.4%	\$70,294	\$75,354	\$80,778	14.9%
Income Distribution					
Under \$25,000	-0.2%	26.3%	24.6%	22.8%	-1.7%
\$25,000 - \$49,999	0.6%	26.3%	25.5%	24.7%	6.2%
\$50,000 - \$99,999	1.4%	27.2%	27.4%	27.6%	15.2%
\$100,000 +	3.5%	20.2%	22.5%	25.0%	40.5%
California					
Median Household Income	1.5%	\$63,566	\$68,640	\$74,119	16.6%
Average Household Income	1.8%	\$90,633	\$99,054	\$108,257	19.4%
Income Distribution					
Under \$25,000	-0.8%	20.2%	18.5%	16.8%	-8.0%
\$25,000 - \$49,999	-0.1%	20.9%	19.8%	18.6%	-1.2%
\$50,000 - \$99,999	0.4%	28.3%	27.5%	26.6%	4.2%
\$100,000 +	3.2%	30.6%	34.2%	38.0%	37.6%

sony_Services/Clients/Desert_Healthcare_District/Needs_Assessment/Analysis/[Desert_Healthcare_Demographic_Tables_High_Low_Estimate.xlsx]Household_Table
 Source: Claritas, Inc.

(1) CAGR is the compound annual growth rate, or the percent change in each year

Health Status Outcomes

- All ZIP Codes in the service area except one (ZIP Code 92274, which is partially located in Imperial County) are located in Riverside County. In general, this geographic region has higher mortality rates for cancer, Alzheimer's disease, coronary heart disease, unintentional injuries, stroke, suicide, motor vehicle accidents, and infants when compared to the State overall. Further, the service area also has higher rates of cancer (e.g. colorectal, lung and bronchus, prostate), obesity, diabetes, high blood pressure, smoking, and low birth weight infants.

- This implies an increased demand for services such as primary care, cardiovascular, neurosciences, oncology, general surgery, orthopedics, pulmonary medicine, urology, obstetrics and perinatology, neonatology, and chronic disease management.

Desert Healthcare District
Health Status Indicators
Calendar Years 2006 - 2014

Health Status Indicator	Year	Riverside County	Imperial County	California
Age-Adjusted Mortality (Per 100,000 Population)				
All cancers	2010-2014	153.5	132.9	149.9
Breast cancer	2010-2014	20.6	16.3	20.6
Colorectal cancer	2010-2014	15.2	12.7	13.7
Lung, trachea, and bronchus cancer	2010-2014	36.4	28.1	33.4
Prostate cancer	2010-2014	21.2	23.2	20.5
Melanoma of the skin	2009-2013	2.7	Not Reported	2.5
Diabetes	2010-2014	19.1	30.6	20.4
Alzheimer's disease	2010-2014	31.0	11.7	30.4
Coronary heart disease	2010-2014	119.5	106.3	101.7
Unintentional injuries (excluding motor vehicle)	2010-2014	21.8	25.5	20.3
Stroke	2010-2014	35.3	33.5	35.7
Influenza and Pneumonia	2010-2014	11.6	13.7	15.9
Suicide	2010-2014	10.3	7.2	10.3
Motor vehicle	2010-2014	10.0	11.1	7.9
Cancer Incidence				
Breast Cancer	2009-2013	115.5	101.4	121.7
Colorectal Cancer	2009-2013	39.5	33.9	38.3
Lung and Bronchus Cancer	2009-2013	47.3	44.5	46.6
Prostate Cancer	2009-2013	120.3	127.7	119.0

y_Services/Clients/Desert_Healthcare_District/Needs_Assessment/Analysis/[Desert_Healthcare_Health_Status_Indicators.xlsx]Table

Sources: Health Indicators Warehouse, California Cancer Registry

- Indicates county metric is less than the respective state metric by more than five percent
- Indicates county metric is within five percent of the respective state metric
- Indicates county metric is greater than the respective state metric by more than five percent

Health Status Outcomes (continued)

Desert Healthcare District
Health Status Indicators
Calendar Years 2006 - 2014

Health Status Indicator	Year	Riverside County	Imperial County	California
Health Risk Factors				
Percent of adults with obesity	2006-2012	28.7%	28.7%	24.9%
Percent of adults with diabetes	2006-2012	9.6%	11.4%	8.7%
Percent of adults with high blood pressure	2006-2012	27.2%	32.8%	26.2%
Percent of adults who smoke	2006-2012	14.6%	12.4%	12.8%
Age-Adjusted Quality of Life and Social Support				
Percent of adults reporting fair or poor health	2006-2012	19.5%	29.0%	18.4%
Percent of adults, no exercise in last month	2006-2012	24.1%	29.0%	21.3%
Maternal and Child Health				
Birth rate	2013	64.1	87.7	62.5
Infant mortality: all races ⁽¹⁾	2009-2013	5.0	3.4	4.7
Percent of low birth weight infants	2010-2014	6.5%	5.5%	6.7%
Births to mothers aged 15-19 ⁽²⁾	2010-2014	27.0	50.1	26.4
Census				
Percent of persons under 18 in poverty	2014	23.5%	31.3%	22.6%
Percent uninsured population (<65 years old)	2013	21.9%	21.5%	19.4%

y_Services/Clients/Desert_Healthcare_District/Needs_Assessment/Analysis/[(Desert_Healthcare_Health_Status_Indicators.xlsx)Table (2)

Sources: Health Indicators Warehouse, California Cancer Registry

- Indicates county metric is less than the respective state metric by more than five percent
- Indicates county metric is within five percent of the respective state metric
- Indicates county metric is greater than the respective state metric by more than five percent

(1) Metric reported rate is per 1,000 live births

(2) Metric reported rate is per 1,000 women age 15 - 19 years old



Health Status Outcomes (continued)

- ▶ The Health Assessment Resource Center’s 2016 “Coachella Valley Community Health Survey” further illustrates that portions of the District’s service area population are underserved, and opportunities exist to improve the overall health of the community with a focus on wellness and prevention through increased access to coordinated primary and specialty care services.
- ▶ Key findings from this study are summarized on the following five pages based on the key themes listed below:
 - Insurance coverage
 - Adult general health status and access to care
 - Adult health screening and utilization of other preventative services
 - Pediatric general health status and access to care
 - Pediatric health screening and utilization of other preventative services



Insurance Coverage

Indicator	Key Findings
Health Coverage	<ul style="list-style-type: none">• 14% of adults between 18 and 64 have no health insurance, and 5% of children do not have any kind of health insurance coverage.• Most common reasons for lacking healthcare coverage include a lack of documentation to prove legal residency (15.9%) and the inability to pay premiums (13.7%).
Prescription Coverage	Percent of population that lacks prescription coverage: <ul style="list-style-type: none">• Adults: 14.5%• Children: 10.7%
Vision Coverage	Percent of population that lacks vision coverage: <ul style="list-style-type: none">• Adults: 40.1%• Children: 18.2%
Dental Coverage	Percent of population that lacks dental coverage: <ul style="list-style-type: none">• Adults: 39.8%• Children: 25.1%
Mental Health Coverage	<ul style="list-style-type: none">• Adults: 22.3% of adults 18 to 64 have been diagnosed with a mental health disorder; 10.1% of adults 18 to 64 with mental health issues could not get mental healthcare in the past year• Children: 29.8% of children have been diagnosed with a mental health disorder; 61.4% of these children have not visited a mental health professional

Source: Health Assessment Resource Center's 2016 "Coachella Valley Community Health Survey"



Adult Key Findings: General Health Status and Access to Care

Indicator	Key Findings
General Health Status	<ul style="list-style-type: none"> 20% of adults in the Coachella Valley rate their health as "fair or "poor".
Utilization	<ul style="list-style-type: none"> 85.4% of Coachella Valley adults have visited a healthcare provider within the past year, compared to 83% nationally, with an increasing trend in area residents using urgent care facilities as their usual source of care (10.7% increase since 2013, to 23.7%). 10.5% of adults use the ER or hospital.
Barriers to Receiving Care	<ul style="list-style-type: none"> Common barriers to receiving care include understanding what is covered, healthcare provider hours, taking time off work, and not having authorization from an HMO.
Chronic Disease	<ul style="list-style-type: none"> The three most common chronic diseases in Coachella Valley adults are hypertension, high cholesterol, and arthritis.
Obesity	<ul style="list-style-type: none"> 60.5% of Coachella Valley adults are overweight or obese.
Disability	<ul style="list-style-type: none"> 11.0% of Coachella Valley adults have a health problem that requires them to use assistive technology.
Mental Health Concerns	<ul style="list-style-type: none"> 25.9% of Coachella Valley adults have had an emotional, mental, or behavioral problem that concerned them in the past year; over half of these (55.5%) felt that their problem was severe enough to require professional help. 19.4% of these people did not know who to contact for help with their problem.

Source: Health Assessment Resource Center's 2016 "Coachella Valley Community Health Survey"



Adult Key Findings: Screening and Other Preventative Services

Indicator	Key Findings
Cholesterol Screening	<ul style="list-style-type: none"> Over 22.4% of Coachella Valley adults have never had their blood cholesterol checked.
Prostate-Specific Antigen (“PSA”) Test	<ul style="list-style-type: none"> 37.1% of men age 40 years and over have never had a PSA test. 62.8% of Hispanic men have never had a PSA test.
Digital Rectal Exam	<ul style="list-style-type: none"> 35.8% of men age 40 years or over have never had a digital rectal exam.
Mammography	<ul style="list-style-type: none"> 7.1% of women age 40 years and over have never had a mammogram. 17.4% of women have not had a mammogram within the past two years
Pap Test	<ul style="list-style-type: none"> 7.2% of adult women in Coachella Valley have never had a Pap smear.
Most Recent Pap Test	<ul style="list-style-type: none"> 17.9% of adult women who have had a Pap smear have not had one within the past five years.
Human Papillomavirus (“HPV”) Vaccination	<ul style="list-style-type: none"> The majority of Coachella Valley adults between the ages of 18 and 33 (78.5%) have not received the HPV vaccine.
Influenza Vaccination	<ul style="list-style-type: none"> Approximately half of Coachella Valley adults (56.1%) have not had a flu vaccine within the past year.

Source: Health Assessment Resource Center’s 2016 “Coachella Valley Community Health Survey”



Pediatric Key Findings: General Health Status and Access to Care

Indicator	Key Findings
General Health Status	<ul style="list-style-type: none"> 3.1% of children have health that is “fair” or “poor”.
Utilization	<ul style="list-style-type: none"> 11% of Coachella Valley children have not visited a healthcare provider in the past year
Obesity	<ul style="list-style-type: none"> 49% of children 2 to 17 have a BMI percentile that places them in the “overweight” or “obese” category.
Asthma	<ul style="list-style-type: none"> 13.7% of children have been diagnosed with asthma.
Mental Health Concerns	<ul style="list-style-type: none"> One-quarter of children age 3 and older (24.4%) have trouble with emotions, concentration, behavior, and getting along with others. Additionally, over 9% of children age 3 and over have been diagnosed with ADD or ADHD.
Mental Health Treatment	<ul style="list-style-type: none"> 61.4% of children 3 to 17 with mental health problems have not seen a mental health professional for treatment in the past year. 13.7% of children 3 to 17 with mental health problems have taken medication for the issue within the past year; 30.5% of children 3 to 17 with mental health problems have received psychological counseling for the issue within the past year.

Source: Health Assessment Resource Center’s 2016 “Coachella Valley Community Health Survey”



Pediatric Key Findings: Screening and Other Preventative Services

Indicator	Key Findings
Delay or Denial of Medical Testing	<ul style="list-style-type: none"> 5.8% of children had to have a test or treatment delayed or denied in the past year
Child Dental Visits	<ul style="list-style-type: none"> 13.7% of children have never been to a dentist.
Frequency of Child Dental Visits	<ul style="list-style-type: none"> 92.2% of children who have been to the dentist have been there within the past year.
Child Hearing Test	<ul style="list-style-type: none"> 12.1% of children age 5 and under have never had a hearing test.
Child Vision Exam	<ul style="list-style-type: none"> 37.6% of children age 3 and older have not had a vision exam in the past year.
Child HPV Vaccination	<ul style="list-style-type: none"> 51.5% of children ages 11 and over have not had the HPV vaccination.
Child Helmet Use	<ul style="list-style-type: none"> 14.3% of children age 2 and over never wear a helmet.

Source: Health Assessment Resource Center's 2016 "Coachella Valley Community Health Survey"



Service Area Inpatient Use Rate and Market Share Trends, CY 2012 - 2015

- ▶ Between CY 2012 and 2015, total inpatient discharges in the District's service area decreased by 2.0 percent, while the use rate (discharges per 1,000 population) decreased by 5.5 percent. This trend will continue due to the following:
 - Continued rise of high-deductible insurance plans that constrain medical use
 - Impact of value-based care models (e.g., accountable care organizations, bundled payments, patient-centered medical homes [e.g., Comprehensive Primary Care Plus ("CPC+")], risk-based payment contracts, and performance-based physician incentives) that seek to achieve enhanced coordination of care, better quality outcomes, and reduced costs across care settings
 - Patients treated under these models typically have lower lengths of stay and less readmissions
 - Providers are seeking to reduce preventable hospitalizations for acute and chronic conditions, and preventable readmissions by ensuring patients receive home-based disease management programs and outpatient care, instead of accessing hospital care
 - Shift in volumes from inpatient to observation status through the two-midnight census rule implemented by the Centers for Medicare & Medicaid Services ("CMS") in October, 2013, and the continued shift in inpatient volume to outpatient care settings for ambulatory case-sensitive admissions (e.g., uncontrolled diabetes, hypertension, dehydration)
 - Providers are aggressively increasing intensive medical management for chronic conditions on an outpatient basis
- ▶ During this same time period, DRMC's market share increased by 1.3 percent, and is likely attributed to the Hospital recapturing a portion of the service area's inpatient volume from John F. Kennedy Memorial Hospital ("JFK"), who experienced a 3.1 percent decrease in market share over the four-year time period.

Service Area Historical Use Rates by Inpatient Service Line, CY 2012 - 2015

Desert Healthcare District
 Service Area Historical Use Rates by Inpatient Service Line
 Calendar Years 2012 - 2015

Service Line	Use Rate Based on High Population Estimate ⁽¹⁾				Percent Change, CY 2012 - 2015
	2012	2013	2014	2015	
Cardiology - Diagnostic/Interventional	2.9	2.5	2.3	2.3	-19.8%
Cardiology - Medical	7.0	6.3	5.9	5.7	-18.2%
Cardiology - Surgery	0.7	0.7	0.7	0.8	4.2%
Chemical Dependency	0.3	0.3	0.3	0.4	50.1%
Endocrine	2.1	1.8	1.8	1.9	-9.7%
ENT	0.6	0.5	0.5	0.5	-9.1%
Gastroenterology	6.6	6.1	6.0	6.2	-6.4%
General Medicine	6.2	6.0	6.3	7.1	14.5%
General Surgery	6.4	6.4	6.4	6.0	-7.3%
Gynecology	3.4	3.0	2.6	2.7	-18.4%
Neonatal Intensive Care	225.7	203.6	211.5	215.2	-4.7%
Neurology	4.3	3.9	3.9	3.8	-11.9%
Neurosurgery	0.8	0.8	0.7	0.5	-35.9%
Obstetrics & Deliveries	62.6	58.5	58.3	57.2	-8.7%
Oncology	2.8	2.6	2.6	2.6	-6.9%
Ophthalmology	0.1	0.1	0.1	0.1	-36.9%
Orthopedics	6.8	6.8	7.0	7.0	2.9%
Others NC	-	-	0.1	-	0.0%
Plastic Surgery	0.5	0.5	0.4	0.5	-4.6%
Psychiatry	0.3	0.2	0.2	0.3	8.8%
Pulmonary Medicine	5.9	6.2	5.6	5.5	-7.1%
Rehabilitation	0.0	0.0	0.0	0.0	-51.8%
Spine Surgery	1.0	1.0	1.1	1.3	30.3%
Thoracic & Vascular Surgery	1.4	1.4	1.4	1.2	-18.7%
Transplant	0.1	0.1	0.1	0.0	-21.1%
Urology	3.4	3.4	3.6	3.8	12.7%
Total	75.3	71.5	70.9	71.1	-5.5%

Source: OSHPD 2012, 2013, 2014, 2015. Excludes normal newborns.

Note: Use rate calculation based on projected population in service area, and reflects consideration of seasonal and migrant populations.

(1) Use rate defined as discharges per 1,000 population.

[https://share.premierinc.com/sites/pcs/ICDFolder/West_Coast_Advisory_Services/Clients/Desert_Healthcare_District/Needs_Assessment/Analysis\[Inpatient_Model.xlsx\]Use_Rate_Analysis](https://share.premierinc.com/sites/pcs/ICDFolder/West_Coast_Advisory_Services/Clients/Desert_Healthcare_District/Needs_Assessment/Analysis[Inpatient_Model.xlsx]Use_Rate_Analysis)

Service Area Inpatient Market Share and Outmigration Trends, CY 2012 - 2015

Desert Healthcare District Service Area Inpatient Market Share Calendar Years 2012 - 2015

Hospital	2012		2013		2014		2015	
	Discharges	Percent Market Share	Discharges	Percent Market Share	Discharges	Percent Market Share	Discharges	Percent Market Share
Service Area Hospitals:								
Eisenhower Medical Center	15,045	35.7%	14,820	36.5%	14,586	35.8%	15,724	38.0%
Desert Regional Medical Center	13,527	32.1%	13,037	32.1%	13,649	33.5%	13,793	33.4%
John F Kennedy Memorial Hospital	8,529	20.2%	7,995	19.7%	7,574	18.6%	7,081	17.1%
Subtotal, Service Area Hospitals	37,101	87.9%	35,852	88.3%	35,809	88.0%	36,598	88.5%
Outmigration:								
Loma Linda University Medical Center	1,385	3.3%	1,322	3.3%	1,381	3.4%	1,374	3.3%
Riverside County Regional Medical Center	858	2.0%	686	1.7%	483	1.2%	330	0.8%
Cedars Sinai Medical Center	183	0.4%	177	0.4%	201	0.5%	184	0.4%
City of Hope Helford Clinical Research Hospital	149	0.4%	144	0.4%	164	0.4%	171	0.4%
Kaiser Foundation Hospital - Riverside	102	0.2%	111	0.3%	113	0.3%	137	0.3%
Ronald Reagan UCLA Medical Center	144	0.3%	120	0.3%	163	0.4%	131	0.3%
University of California San Diego Medical Center	81	0.2%	74	0.2%	112	0.3%	129	0.3%
Keck Hospital of USC	116	0.3%	80	0.2%	150	0.4%	112	0.3%
University of California Irvine Medical Center	110	0.3%	101	0.2%	106	0.3%	109	0.3%
Kaiser Foundation Hospital - Fontana	65	0.2%	61	0.2%	101	0.2%	95	0.2%
Others	1,906	4.5%	1,868	4.6%	1,932	4.7%	1,978	4.8%
Subtotal, Outmigration	5,099	12.1%	4,744	11.7%	4,906	12.0%	4,750	11.5%
Total	42,200	100.0%	40,596	100.0%	40,715	100.0%	41,348	100.0%

Source: California Office of Statewide Health Planning and Development Inpatient Database, 2012, 2013, 2014, 2015. Acute care, excludes normal newborns.

[https://share.premierinc.com/sites/pcs/ICD/Folder/West_Coast_Advisory_Services/Clients/Desert_Healthcare_District/Needs_Assessment/Analysis/\[Coachella_OSHPD_Tables.xlsx\]Table_1A](https://share.premierinc.com/sites/pcs/ICD/Folder/West_Coast_Advisory_Services/Clients/Desert_Healthcare_District/Needs_Assessment/Analysis/[Coachella_OSHPD_Tables.xlsx]Table_1A)



Service Area Inpatient Market Share Trends by Service Line, CY 2015

- ▶ In CY 2015, 11.5 percent of patients left the service area for inpatient care. Service lines with high levels of out-migration (greater than 25.0 percent) for inpatient services are identified as follows:
 - ENT – 40.4 percent
 - Gynecology – 29.3 percent
 - Neurosurgery – 41.4 percent
 - Oncology – 25.9 percent
 - Ophthalmology – 31.4 percent
 - Spine Surgery – 31.3 percent
 - Transplant – 100.0 percent
- ▶ The table provided on the following page illustrates market share by inpatient service line for each hospital in the service area, and the proportion of patients that received care outside of this geographic area for each service line in CY 2015.

Service Area Total (All Ages) Inpatient Market Share, CY 2015

Desert Healthcare District
 Service Area Inpatient Market Share by Service Line - All Ages
 Calendar Year 2015

Service Line	Service Area Mix		Percent Market Share					Total
	Discharges	Percent of Total Discharges	Service Area			Outmigration		
			Eisenhower Medical Center	Desert Regional Medical Center	John F Kennedy Memorial Hospital	Loma Linda University Medical Center	Others	
Cardiology - Diagnostic/Interventional	1,341	3.2%	47.7%	37.4%	7.3%	1.3%	6.3%	100.0%
Cardiology - Medical	3,342	8.1%	47.0%	32.4%	14.9%	1.0%	4.7%	100.0%
Cardiology - Surgery	444	1.1%	55.0%	24.5%	0.2%	8.6%	11.7%	100.0%
Chemical Dependency	221	0.5%	43.4%	32.6%	10.4%	1.4%	12.2%	100.0%
Endocrine	1,115	2.7%	39.0%	29.9%	16.6%	6.5%	8.0%	100.0%
ENT	309	0.7%	28.8%	23.0%	7.8%	26.5%	13.9%	100.0%
Gastroenterology	3,600	8.7%	46.0%	31.8%	10.4%	4.1%	7.7%	100.0%
General Medicine	4,152	10.0%	47.9%	26.9%	13.6%	2.7%	8.9%	100.0%
General Surgery	3,467	8.4%	43.4%	26.8%	16.9%	3.7%	9.3%	100.0%
Gynecology	632	1.5%	15.3%	41.1%	14.2%	9.7%	19.6%	100.0%
Neonatal Intensive Care	1,609	3.9%	0.1%	66.7%	27.6%	2.9%	2.7%	100.0%
Neurology	2,183	5.3%	48.8%	32.9%	6.5%	4.5%	7.2%	100.0%
Neurosurgery	307	0.7%	25.4%	32.6%	0.7%	11.1%	30.3%	100.0%
Obstetrics & Deliveries	5,736	13.9%	0.5%	53.1%	43.3%	0.7%	2.4%	100.0%
Oncology	1,488	3.6%	44.6%	24.3%	5.2%	7.4%	18.5%	100.0%
Ophthalmology	51	0.1%	21.6%	35.3%	11.8%	19.6%	11.8%	100.0%
Orthopedics	4,074	9.9%	52.8%	24.3%	11.1%	3.0%	8.8%	100.0%
Plastic Surgery	268	0.6%	48.1%	17.2%	20.1%	4.1%	10.4%	100.0%
Psychiatry	168	0.4%	45.8%	31.0%	7.1%	3.0%	13.1%	100.0%
Pulmonary Medicine	3,187	7.7%	40.4%	29.0%	20.6%	2.5%	7.5%	100.0%
Rehabilitation	1	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	100.0%
Spine Surgery	735	1.8%	55.1%	13.6%	0.0%	2.9%	28.4%	100.0%
Thoracic & Vascular Surgery	683	1.7%	53.4%	29.7%	5.1%	2.2%	9.5%	100.0%
Transplant	27	0.1%	0.0%	0.0%	0.0%	37.0%	63.0%	100.0%
Urology	2,208	5.3%	51.6%	24.5%	12.4%	3.4%	8.1%	100.0%
Total	41,348	100.0%	38.0%	33.4%	17.1%	3.3%	8.2%	100.0%

Source: California Office of Statewide Health Planning and Development Inpatient Database, 2015. Includes acute care across all ages; excludes normal newborns.

https://share.premierinc.com/sites/pcs/ICD/Folder/West_Coast_Advisory_Services/Clients/Desert_Healthcare_District/Needs_Assessment/Analysis/Coachella_OSHPD_Tables.xlsx Table 2C



Service Area Inpatient Market Share Trends, CY 2012 - 2015

- ▶ Patients age 0-14 years represent 8.4 percent of the service area's total inpatient volume in CY 2015. While DRMC was the market share leader for inpatient pediatric services overall (39.6 percent), almost 28 percent of the service area's pediatric patients left the area for care.
 - Notably, Loma Linda University Medical Center was the dominant provider of most pediatric sub-specialty services during this time period. This trend implies a need for increased access to pediatric sub-specialty providers across almost all medical and surgical specialties in the District's service area.
- ▶ The table provided on the following page illustrates pediatric-specific market share by inpatient service line for each hospital in the service area, and the proportion of pediatric patients that received care outside of this geographic area for each in CY 2015.

Service Area Pediatric Inpatient Market Share, CY 2015

Desert Healthcare District
 Service Area Inpatient Pediatric Market Share by Service Line - Pediatric (Ages 0 - 14 Years)
 Calendar Year 2015

Service Line	Service Area Mix		Percent Market Share					
	Discharges	Percent of Total Discharges	Service Area			Outmigration		
			Eisenhower Medical Center	Desert Regional Medical Center	John F Kennedy Memorial Hospital	Loma Linda University Medical Center	Others	Total
Cardiology - Diagnostic/Interventional	3	0.1%	0.0%	0.0%	0.0%	66.7%	33.3%	100.0%
Cardiology - Medical	17	0.5%	0.0%	5.9%	0.0%	76.5%	17.6%	100.0%
Cardiology - Surgery	17	0.5%	0.0%	0.0%	0.0%	88.2%	11.8%	100.0%
Endocrine	106	2.9%	5.7%	4.7%	34.0%	46.2%	9.4%	100.0%
ENT	100	2.7%	14.0%	19.0%	11.0%	46.0%	10.0%	100.0%
Gastroenterology	186	5.0%	9.1%	15.6%	22.6%	44.6%	8.1%	100.0%
General Medicine	195	5.3%	7.7%	20.0%	19.5%	36.9%	15.9%	100.0%
General Surgery	207	5.6%	21.7%	26.6%	22.7%	23.7%	5.3%	100.0%
Gynecology	8	0.2%	12.5%	25.0%	0.0%	62.5%	0.0%	100.0%
Neonatal Intensive Care	1,609	43.5%	0.1%	66.7%	27.6%	2.9%	2.7%	100.0%
Neurology	104	2.8%	0.0%	3.8%	3.8%	62.5%	29.8%	100.0%
Neurosurgery	18	0.5%	0.0%	0.0%	0.0%	72.2%	27.8%	100.0%
Obstetrics & Deliveries	7	0.2%	0.0%	14.3%	85.7%	0.0%	0.0%	100.0%
Oncology	91	2.5%	0.0%	1.1%	4.4%	69.2%	25.3%	100.0%
Ophthalmology	8	0.2%	0.0%	25.0%	12.5%	37.5%	25.0%	100.0%
Orthopedics	116	3.1%	0.9%	13.8%	6.9%	56.9%	21.6%	100.0%
Plastic Surgery	14	0.4%	7.1%	0.0%	28.6%	35.7%	28.6%	100.0%
Psychiatry	10	0.3%	0.0%	20.0%	10.0%	50.0%	20.0%	100.0%
Pulmonary Medicine	562	15.2%	10.3%	19.4%	53.0%	13.0%	4.3%	100.0%
Spine Surgery	11	0.3%	0.0%	0.0%	0.0%	81.8%	18.2%	100.0%
Thoracic & Vascular Surgery	8	0.2%	0.0%	12.5%	0.0%	87.5%	0.0%	100.0%
Transplant	1	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	100.0%
Urology	77	2.1%	11.7%	22.1%	29.9%	27.3%	9.1%	100.0%
Total	3,475	94.0%	4.9%	39.6%	27.8%	20.5%	7.2%	100.0%

Source: OSHPD 2015. Ages 0-14, acute care, excludes normal newborns. Loma Linda includes Children's Hospital.

https://share.premierinc.com/sites/pcs/CDFolder/West_Coast_Advisory_Services/Clients/Desert_Healthcare_District/Needs_Assessment/Analysis/Coachella_OSHPD_Tables.xlsx Table 2CP

Service Area Inpatient Market Share by Payer, CY 2015

Desert Healthcare District Service Area Inpatient Market Share by Payer Calendar Year 2015

Hospital	Medicare		Medi-Cal		Private		Other	Total
	HMO	FFS	HMO	FFS	HMO	PPO		
Eisenhower Medical Center	33.5%	62.8%	26.2%	13.6%	34.9%	77.1%	11.1%	38.0%
Desert Regional Medical Center	52.1%	18.3%	36.7%	37.2%	33.8%	13.6%	56.9%	33.4%
John F Kennedy Memorial Hospital	4.9%	9.0%	29.4%	32.0%	16.8%	1.4%	15.8%	17.1%
Loma Linda University Medical Center	0.1%	0.6%	2.6%	8.1%	2.1%	0.9%	3.4%	2.3%
Riverside County Regional Medical Center	0.0%	0.2%	0.2%	3.0%	1.3%	0.1%	2.0%	0.8%
Cedars Sinai Medical Center	0.2%	0.9%	0.1%	0.2%	0.6%	0.2%	0.1%	0.4%
City of Hope Helford Clinical Research Hospital	0.0%	0.5%	0.0%	0.7%	0.6%	0.1%	1.3%	0.4%
Kaiser Foundation Hospital - Riverside	1.0%	0.0%	0.1%	0.0%	0.9%	0.0%	0.1%	0.3%
Ronald Reagan UCLA Medical Center	0.1%	0.5%	0.1%	0.1%	0.4%	0.8%	0.5%	0.3%
University of California San Diego Medical Center	0.0%	0.5%	0.3%	0.3%	0.3%	0.0%	0.6%	0.3%
Keck Hospital of USC	0.5%	0.4%	0.0%	0.1%	0.3%	0.0%	1.0%	0.3%
University of California Irvine Medical Center	0.2%	0.4%	0.2%	0.1%	0.3%	0.2%	0.2%	0.3%
Kaiser Foundation Hospital - Fontana	0.8%	0.0%	0.0%	0.0%	0.6%	0.0%	0.0%	0.2%
Others	4.3%	5.5%	3.1%	3.8%	5.7%	6.4%	6.7%	4.8%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
N =	5,254	11,196	8,292	5,351	8,073	1,303	1,879	41,348
Payer Mix =	12.7%	27.1%	20.1%	12.9%	19.5%	3.2%	4.5%	100.0%

Source: California Office of Statewide Health Planning and Development Inpatient Database, 2015. Acute care, excludes normal newborns.

[https://share.premierinc.com/sites/pcs/ICD/Folder/West_Coast_Advisory_Services/Clients/Desert_Healthcare_District/Needs_Assessment/Analysis/\[Coachella_OSHPD_Tables.xlsx\]Table_3C](https://share.premierinc.com/sites/pcs/ICD/Folder/West_Coast_Advisory_Services/Clients/Desert_Healthcare_District/Needs_Assessment/Analysis/[Coachella_OSHPD_Tables.xlsx]Table_3C)

Healthcare Provider Profiles

Service Area Hospital Profiles, CY 2015

Desert Healthcare District
Profile of Service Area Hospitals
CY 2015

- ▶ There are three general acute care hospitals, and one psychiatric facility, located within the service area. The table provided to the right illustrates key statistics for each facility in CY 2015.
 - Given that DRMC is the only facility that operates a comprehensive emergency department and a Level II Trauma Center, it can be implied that a portion of DRMC's patients require higher levels of care (e.g., higher acuity) when compared to those treated at other hospitals in the service area.
 - Additionally, DRMC is the market leader for obstetrics (deliveries) in the service area.

	Desert Regional Medical Center	Eisenhower Medical Center	John F. Kennedy Memorial Hospital	Telecare Riverside County Psychiatric Health Facility
Total Inpatient Beds ⁽¹⁾	385	489	156	16
Total Discharges	19,725	19,375	7,228	789
Total Patient Days	88,849	79,283	22,421	5,036
Average Length of Stay	4.5	4.1	3.1	6.4
Average Daily Census	243.4	217.2	61.4	13.8
Occupancy Rate	63.2%	44.4%	39.4%	86.2%
Licensed ED Level	Comprehensive	Basic	Basic	N/A
ED Stations	28	43	12	N/A
ED Visits	71,937	78,070	42,085	N/A
ED Visits per Station	2,569.2	1,815.6	3,507.1	N/A
Admissions through ED	11,176	14,315	3,759	N/A
Percent Admissions through ED	15.5%	18.3%	8.9%	N/A
Trauma Designation	Level II	N/A	N/A	N/A
Number of ORs - Non-Cardiac	10	16	7	N/A
Inpatient OR Cases	5,258	6,801	2,444	N/A
Outpatient OR Cases	2,476	15,294	1,733	N/A
Number of ORs - Cardiac	1	2	0	N/A
Cardiovascular Surgeries - Adult	175	2,990	0	N/A
Cardiovascular Surgeries - Pediatrics	0	0	0	N/A
Cardiac Cath Labs	3	2	1	N/A
Cardiac Cath Procedures	2,295	1,320	306	N/A
Total Live Births	3,214	0	2,180	N/A

Source: California Automated Licensing Information and Report Tracking System and Premier, Inc.

(1) Includes all bed types (general acute care and other).

N/A indicates service is not provided by hospital.

[https://share.premierinc.com/sites/pcs/ICD/Folder/West_Coast_Advisory_Services/Clients/Desert_Healthcare_District/Needs_Assessment/Analysis\(Premier_Coachella_Inpatient_Capacity_Analysis.xlsx\)/Hospital Analysis](https://share.premierinc.com/sites/pcs/ICD/Folder/West_Coast_Advisory_Services/Clients/Desert_Healthcare_District/Needs_Assessment/Analysis(Premier_Coachella_Inpatient_Capacity_Analysis.xlsx)/Hospital%20Analysis)

Service Area Hospital Profiles, CY 2015 (continued)

	Desert Regional Medical Center	Eisenhower Medical Center	John F. Kennedy Memorial Hospital	Telecare Riverside County Psychiatric Health Facility
Facility Type	General Acute Care	General Acute Care	General Acute Care	Psychiatric
Hospital Compare Star Rating	★	★★★★★	★★★	Not Rated
Academic Affiliations	<ul style="list-style-type: none"> University of California – Riverside 	<ul style="list-style-type: none"> University of Southern California Loma Linda University School of Medicine 	None	None
Clinical Services <u>Not</u> Provided	<ul style="list-style-type: none"> Psychiatry Transplant 	<ul style="list-style-type: none"> Maternal and Fetal Medicine Transplant Skilled nursing 	<ul style="list-style-type: none"> Acute rehabilitation Cardiac surgery Psychiatry Neurosurgery Spine surgery Transplant 	N/A; Scope of services limited to psychiatric care
Centers of Excellence	<ul style="list-style-type: none"> Bariatric Surgery Cancer Cardiac Stroke 	<ul style="list-style-type: none"> Cancer Cardiac Neurosciences Orthopedics 	<ul style="list-style-type: none"> Coronary Orthopedics 	None

Source: Hospital Compare, Definitive Healthcare, and facility websites

Service Area Hospital Profiles, CY 2015 (continued)

	Desert Regional Medical Center	Eisenhower Medical Center	John F. Kennedy Memorial Hospital	Telecare Riverside County Psychiatric Health Facility
Other Certifications	<ul style="list-style-type: none"> American College of Surgeons Commission on Cancer American Heart Association American Society for Respiratory Care Metabolic and Bariatric Surgery Accreditation and Quality Improvement Program Society for Chest Pain Centers 	<ul style="list-style-type: none"> American College of Surgeons Commission on Cancer American Association of Cardiovascular and Pulmonary Rehabilitation California Mammography Quality Standards Accreditation 	<ul style="list-style-type: none"> American Heart Association Blue Cross Distinction Center for Hip & Knee Replacement Surgery 	<ul style="list-style-type: none"> Commission on Accreditation of Rehabilitation Facilities

Source: Hospital Compare, Definitive Healthcare, and facility websites

Inpatient General Acute Care Capacity Analysis by Hospital and Licensed Bed Type, CY 2015

- Although an excess of inpatient beds existed in the service area in CY 2015 (all hospitals combined), DRMC experienced a shortage of inpatient capacity for obstetrics and critical care services. This is attributed to: 1) the Hospital's Emergency Department ("ED") and trauma designations; 2) DRMC operates the largest obstetrics program in the service area; and 3) the large regional draw DRMC has for inpatient services, and the number of patients that seek care at the Hospital from outside of the service area (e.g., in-migration).

Desert Healthcare District
Service Area Hospital Inpatient General Acute Care Capacity Analysis by Licensed Bed Type
CY 2015

Bed Type	Desert Regional Medical Center					Eisenhower Medical Center					John F. Kennedy Memorial Hospital					
	Total Licensed Beds	Total Patient Days	Average Daily Census	Occupancy Percentage	Bed (Need)/ Surplus	Total Licensed Beds	Total Patient Days	Average Daily Census	Occupancy Percentage	Bed (Need)/ Surplus	Total Licensed Beds	Total Patient Days	Average Daily Census	Bed Need	Occupancy Percentage	Bed (Need)/ Surplus
Medical/Surgical	238	52,535	143.9	60.5%	68	377	68,393	187.4	49.7%	156	81	13,658	37.4	45	46.2%	36
Obstetrics	28	8,480	23.2	83.0%	(3)	0	0	0.0	N/A	0	26	4,466	12.2	17	47.1%	9
Pediatric	14	1,431	3.9	28.0%	8	6	207	0.6	9.5%	5	22	1,289	3.5	5	16.1%	17
Critical Care	31	10,138	27.8	89.6%	(7)	70	6,052	16.6	23.7%	47	16	3,008	8.2	11	51.5%	5
Neonatal Intensive Care	30	8,060	22.1	73.6%	0	0	0	0.0	N/A	0	11	0	0.0	0	0.0%	11
Rehabilitation	12	2,826	7.7	64.5%	2	23	4,631	12.7	55.2%	8	0	0	0.0	0	N/A	0
Total	353	83,470	228.7	64.8%	68	476	79,283	217.2	45.6%	216	156	22,421	61.4	78	39.4%	78

Note: Utilization statistics for each hospital reflect total inpatient volume (e.g., patients that originate from inside and outside of the service area).

Bed Type	Total Service Area Inpatient General Acute Care					
	Total Licensed Beds	Total Patient Days	Average Daily Census	Bed Need	Occupancy Percentage	Bed (Need)/ Surplus
Medical/Surgical	696	134,586	368.7	434	53.0%	262
Obstetrics	54	12,946	35.5	48	65.7%	6
Pediatric	42	2,927	8.0	11	19.1%	31
Critical Care	117	19,198	52.6	71	45.0%	46
Neonatal Intensive Care	41	8,060	22.1	30	53.9%	11
Rehabilitation	35	7,457	20.4	25	58.4%	10
Total	985	185,174	507.3	619	51.5%	366

Source: California Automated Licensing Information and Report Tracking System and Premier, Inc.

ry_Services/Clients/Desert_Healthcare_District/Needs_Assessment/Analysis/[Premier_Coachella_Provider_Analysis.xlsx]Hospital Summary (2)

Service Area Skilled Nursing Facilities, CY 2015

- ▶ The table provided below identifies the skilled nursing facilities located in the service area. Based upon a review of each facility's CY 2015 utilization statistics, excess skilled nursing facility capacity exists in the District's service area.

**Desert Healthcare District
Service Area Skilled Nursing Facility Inpatient Capacity Analysis
CY 2015**

Facility Name	Total Licensed Beds	Total Patient Days	Average Daily Census	Occupancy Percentage	Bed (Need)/ Surplus
Brookdale Rancho Mirage	45	11,638	31.9	70.9%	11
Desert Regional Medical Center - Skilled Nursing Facility	32	5,379	14.7	46.1%	16
Desert Springs Health and Wellness Center	68	21,690	59.4	87.4%	5
Indio Nursing and Rehab Center	99	32,227	88.3	89.2%	6
ManorCare Health Services Palm Desert	178	49,751	136.3	76.6%	34
Monterey Palms Healthcare Center	99	36,125	99.0	100.0%	(6)
Palm Springs Healthcare Center	99	34,387	94.2	95.2%	(1)
Premier Care Center for Palm Springs	99	33,174	90.9	91.8%	3
Rancho Mirage Health and Rehabilitation Center	99	30,457	83.4	84.3%	11
The Fountains at the Carlotta	59	15,153	41.5	70.4%	15
Total	877	269,981	739.7	84.3%	98

Source: California Automated Licensing Information and Report Tracking System and Premier, Inc.

Note: Statistics reflect total patient utilization, defined as those patients that originate from inside and outside of the service area.

[https://share.premierinc.com/sites/pcs/ICD/Folder/West_Coast_Advisory_Services/Clients/Desert_Healthcare_DistrictNeeds_Assessment/Analysis/\[Premier_Coachella_Provider_Analysis.xlsx\]SNF_Summary](https://share.premierinc.com/sites/pcs/ICD/Folder/West_Coast_Advisory_Services/Clients/Desert_Healthcare_DistrictNeeds_Assessment/Analysis/[Premier_Coachella_Provider_Analysis.xlsx]SNF_Summary)



Psychiatric Services

- ▶ According to the Health Assessment Resource Center, in CY 2013 nearly 90,000 Coachella Valley adults reported some sort of mental, emotional, or behavioral concern, and nearly 19,000 parents reported similar concerns for their children. Further, a recent study published by the Regional Access Project Foundation concluded that a significant shortage of mental health providers (e.g., facilities, professionals) and crisis centers existed throughout the Coachella Valley. The study specifically cited long wait times for outpatient services for adults, limited outpatient access for pediatric and adolescent patients, and a severe shortage of inpatient psychiatric services for adult, pediatric, and adolescent patients combined.
 - Patients with mild symptoms often go untreated, and patients with severe conditions seek treatment in the service area's three hospital emergency rooms. According to a 2016 article published by the Desert Sun, nearly 5,000 psychiatric patients were treated across the three emergency departments in CY 2013.
 - **Inpatient Access:** Eisenhower Medical Center and Telecare Riverside County Psychiatric Health Facility are the only providers of inpatient psychiatric services in the District's service area. In CY 2015, both facilities experienced a shortage of inpatient capacity. This trend is likely attributed to the growing demand and large regional draw for inpatient psychiatric services, with a large portion of each facility's patients originating from outside of the District's service area (e.g., in-migration).
 - Eisenhower Medical Center operates the inpatient Center for Geropsychiatry, a voluntary inpatient program for seniors 65 years and older who are experiencing symptoms of depression, anxiety, bipolar disorder, psychotic disorder, or other behavioral problems.



Psychiatric Services (continued)

- Telecare Riverside County Psychiatric Health Facility is the only crisis stabilization unit in the service area. The facility, which is funded by the Riverside County Department of Mental Health, provides treatment to patients age 18 years and older who have been diagnosed with a serious mental illness.
- There are no inpatient providers of psychiatric services for pediatric and adolescent patients.
- **Outpatient Access:** Outpatient psychiatric services are fragmented, and are provided by a variety of providers, including hospitals, outpatient centers, and community clinics.
 - Eisenhower Medical Center treats approximately 500 to 800 commercially insured patients per month on an outpatient basis through its mental health clinic for disorders related to depression and anxiety.
 - San Geronio Memorial Hospital Behavioral Center, which recently relocated to Indio, provides outpatient mental health services to adults.
 - Community-based clinics provide some outpatient mental health care services. However, in addition to overall access being limited, gaps in culturally-appropriate services exist for the following psychiatric patient cohorts:
 - Pediatric and adolescents
 - Veterans
 - Lesbian, gay, bisexual, and transgenders
 - Geriatrics
 - Latinos

Service Area Inpatient Psychiatric Capacity, CY 2015

Desert Healthcare District Service Area Inpatient Psychiatric Capacity Analysis by Licensed Bed Type CY 2015

Facility Name	Total Licensed Beds	Total Patient Days	Average Daily Census	Occupancy Percentage	Bed (Need)/ Surplus
Eisenhower Medical Center	13	4,745	13.0	100.0%	(3)
Telecare Riverside County Psychiatric Health Facility	16	5,036	13.8	86.2%	(1)
Total	29	9,781	26.8	92.4%	(3)

Source: California Automated Licensing Information and Report Tracking System and Premier, Inc.

Note: Statistics reflect total patient utilization, defined as those patients that originate from inside and outside of the service area.

[https://share.premierinc.com/sites/pcs/ICD/Folder/West_Coast_Advisory_Services/Clients/Desert_Healthcare_District/Needs_Assessment/Analysis/\[Premier_Coachella_Provider_Analysis.xlsx\]Psych](https://share.premierinc.com/sites/pcs/ICD/Folder/West_Coast_Advisory_Services/Clients/Desert_Healthcare_District/Needs_Assessment/Analysis/[Premier_Coachella_Provider_Analysis.xlsx]Psych)

Service Area Community Clinics Overview, CY 2015

Desert Healthcare District
Service Area Community Clinics Overview
CY 2015

	Barbara Sinatra Childrens Center at Eisenhower	Borrego Health Specialty Care Center	Central City Community Health Center, Inc.	Centro Medico, Cathedral City	Centro Medico, Coachella	Centro Medico, Oasis	Coachella Health Clinic	Desert AIDS Project	Desert Hot Springs Community Health Center	Desert Hot Springs Health & Wellness Center
License Category	Psychology	FQHC	FQHC	FQHC	FQHC	FQHC	FQHC	FQHC	FQHC	FQHC
Rural Health Clinic	No	No	No	No	No	No	No	No	No	No
Health Services Provided:										
Medical		✓	✓	✓	✓	✓	✓	✓	✓	✓
Dental				✓	✓			✓		✓
Vision				✓						
Mental Health	✓		✓	✓	✓		✓	✓		
Substance Abuse			✓					✓		
Domestic Violence										
Basic Lab		✓	✓				✓	✓		
Radiological Services										
Urgent Care				✓					✓	
Pharmacy		✓								
Women's Health (OB/GYN, Family Planning, Midwives)				✓				✓		
Total Patients Treated	480	Not Reported	1,069	55,208	4,232	3,965	3,680	2,261	7,804	2,906
Total Patient Encounters	6,027	Not Reported	2,266	125,323	16,125	12,688	8,937	23,139	23,912	8,407
Average Encounters per Patient	12.6	Not Reported	2.1	2.3	3.8	3.2	2.4	10.2	3.1	2.9
Provider FTEs ⁽¹⁾	Not Reported	Not Reported	2.0	31.3	5.0	3.8	3.0	16.1	7.9	2.7
Encounters per Provider FTE	N/A	Not Reported	1,133.0	4,002.7	3,225.0	3,330.2	2,989.0	1,434.5	3,038.4	3,113.7
Spanish as Primary Language (% of Patients)	Not Reported	Not Reported	70.0%	56.0%	73.0%	88.0%	39.0%	35.0%	29.0%	46.0%
Federal Poverty Level - Percent of Patients:										
Under 100%	Not Reported	Not Reported	76.6%	43.7%	64.2%	77.6%	34.9%	32.7%	0.0%	70.2%
100-138%	Not Reported	Not Reported	0.5%	10.9%	17.9%	18.4%	2.9%	17.5%	64.5%	17.5%
139-200%	Not Reported	Not Reported	0.0%	2.7%	2.0%	2.6%	1.1%	10.6%	16.0%	5.6%
201-400%	Not Reported	Not Reported	15.2%	0.0%	0.0%	0.0%	0.2%	8.9%	5.9%	0.0%
Above 400%	Not Reported	Not Reported	0.0%	0.0%	0.0%	0.0%	0.5%	3.4%	0.0%	0.0%
Unknown	Not Reported	Not Reported	7.8%	42.6%	15.9%	1.4%	60.4%	26.8%	13.6%	6.7%

Source: US Department of Health & Human Services, California Automated Licensing Information and Report Tracking System, facility websites, and Premier, Inc.

Note: Excludes Kaiser because scope of services are not reported, and these facilities are not available to the general public.

(1) Reflects physicians, advanced practice clinicians, certified nurse midwives, dentists, registered dental hygienists, psychiatrists, clinical psychologists, licensed clinical social workers, chiropractors, physical therapists, optometrists, and any other professional who is able to be reimbursed through the Medi-Cal program.

[https://share.premierinc.com/sites/pcslCD/Folder/West_Coast_Advisory_Services/Clients/Desert_Healthcare_DistrictNeeds_Assessment/Analysis/\[Premier_Coachella_Provider_Analysis.xlsx\]Clinic Summary](https://share.premierinc.com/sites/pcslCD/Folder/West_Coast_Advisory_Services/Clients/Desert_Healthcare_DistrictNeeds_Assessment/Analysis/[Premier_Coachella_Provider_Analysis.xlsx]Clinic Summary)

Service Area Community Clinics Overview, CY 2015 (continued)

Desert Healthcare District
Service Area Community Clinics Overview
CY 2015

	Desert Oasis Women's Health Center	Desert Services, Outreach, and Shelter (Roy's Resource Center)	Health to Hope Clinics, Coachella Valley Rescue Mission	Indio Family Care Center	Mecca Health Clinic (91275 66th Ave, Suite 300, Mecca, CA 92254)	Mecca Health Clinic (91275 66th Ave, Suite 500, Mecca, CA 92254)	Palm Springs Family Care Center	Planned Parenthood - Coachella Valley	Planned Parenthood - Rancho Mirage Center	Santa Rosa Del Valle	Stonewall Medical Center
License Category	FQHC	FQHC	FQHC	FQHC	FQHC	FQHC	FQHC	Other	Other	No	FQHC
Rural Health Clinic	No	No	No	No	No	No	No	No	No	Yes	No
Health Services Provided:											
Medical		✓	✓	✓		✓	✓	✓	✓	✓	✓
Dental		✓			✓						
Vision											
Mental Health	✓	✓	✓			✓					
Substance Abuse		✓	✓								
Domestic Violence											
Basic Lab					✓	✓					
Radiological Services					✓	✓					
Urgent Care											
Pharmacy											
Women's Health (OB/GYN, Family Planning, Midwives)	✓	✓	✓	✓		✓	✓	✓	✓	✓	
Total Patients Treated	2,065	Not Reported	Not Reported	Not Reported	2,259	6,445	Not Reported	6,165	7,954	Not Reported	Not Reported
Total Patient Encounters	6,379	Not Reported	Not Reported	Not Reported	4,882	18,354	Not Reported	12,265	15,212	Not Reported	Not Reported
Average Encounters per Patient	3.1	Not Reported	Not Reported	Not Reported	2.2	2.8	Not Reported	2.0	1.9	Not Reported	Not Reported
Provider FTEs ⁽¹⁾	3.5	Not Reported	Not Reported	Not Reported	1.1	4.6	Not Reported	2.0	2.5	Not Reported	Not Reported
Encounters per Provider FTE	1,827.8	Not Reported	Not Reported	Not Reported	4,358.9	4,016.2	Not Reported	6,102.0	6,012.6	Not Reported	Not Reported
Spanish as Primary Language (% of Patients)	39.0%	Not Reported	Not Reported	Not Reported	39.0%	72.0%	Not Reported	21.0%	5.0%	Not Reported	Not Reported
Federal Poverty Level - Percent of Patients:											
Under 100%	64.1%	Not Reported	Not Reported	Not Reported	44.9%	65.0%	Not Reported	64.8%	62.4%	Not Reported	Not Reported
100-138%	19.6%	Not Reported	Not Reported	Not Reported	3.4%	4.9%	Not Reported	8.8%	13.3%	Not Reported	Not Reported
139-200%	9.8%	Not Reported	Not Reported	Not Reported	0.8%	1.4%	Not Reported	4.1%	7.8%	Not Reported	Not Reported
201-400%	0.0%	Not Reported	Not Reported	Not Reported	0.4%	0.6%	Not Reported	1.3%	4.0%	Not Reported	Not Reported
Above 400%	0.0%	Not Reported	Not Reported	Not Reported	0.2%	0.6%	Not Reported	0.4%	1.1%	Not Reported	Not Reported
Unknown	6.5%	Not Reported	Not Reported	Not Reported	50.4%	27.4%	Not Reported	20.6%	11.5%	Not Reported	Not Reported

Source: US Department of Health & Human Services, California Automated Licensing Information and Report Tracking System, facility websites, and Premier, Inc.

Note: Excludes Kaiser because scope of services are not reported, and these facilities are not available to the general public.

(1) Reflects physicians, advanced practice clinicians, certified nurse midwives, dentists, registered dental hygienists, psychiatrists, clinical psychologists, licensed clinical social workers, chiropractors, physical therapists, optometrists, and any other professional who is able to be reimbursed through the Medi-Cal program.

[https://share.premierinc.com/sites/pcs/CD/Folder/West_Coast_Advisory_Services/Clients/Desert_Healthcare_District/Needs_Assessment/Analysis/\(Premier_Coachella_Provider_Analysis.xlsx\)/Clinic_Summary_\(2\)](https://share.premierinc.com/sites/pcs/CD/Folder/West_Coast_Advisory_Services/Clients/Desert_Healthcare_District/Needs_Assessment/Analysis/(Premier_Coachella_Provider_Analysis.xlsx)/Clinic_Summary_(2))

Service Area Ambulatory Surgery Centers Overview

Desert Healthcare District
Overview of Service Area Ambulatory Surgery Centers
CY 2015

Facility	Services Provided															Number of Operating Rooms	Estimated Number of Procedures, CY 2014	Average Procedures per Operating Room	
	Cardiology	Dental	Dermatology	Gastroenterology	General Surgery	Gynecology	Neurology	Ophthalmology	Oral Surgery	Orthopedics	Otolaryngology	Pain Management	Plastic Surgery	Podiatry	Radiation Oncology				Urology
Aaronson Plastic Surgery Center												✓					2	N/A	N/A
Aurora Surgery Center					✓	✓	✓			✓	✓	✓	✓		✓		2	602	301
Eisenhower Desert Orthopedic Center									✓								2	N/A	N/A
El Mirador Surgical Center			✓	✓		✓	✓	✓		✓	✓	✓		✓		✓	6	12,432	2,072
Eye Surgery Center of the Desert			✓					✓				✓					3	N/A	N/A
Indio Surgery Center, Inc.		✓ (Peds)															3	N/A	N/A
La Quinta Surgery Center							✓		✓		✓						1	N/A	N/A
Mirage Endoscopy Center, LP				✓													2	7,050	3,525
Rancho Mirage Surgery Center	✓		✓	✓		✓			✓	✓	✓	✓				✓	3	1,756	585
Sedona Surgery Center					✓	✓		✓	✓		✓	✓	✓	✓	✓	✓	3	N/A	N/A
Sternlieb Outpatient Surgery Center									✓								2	N/A	N/A
The Morrow Institute Medical Group, Inc.												✓					2	N/A	N/A
Total Ambulatory Surgery Center Operating Rooms																	31		

Source: Definitive Healthcare, facility websites

Note: Excludes procedure rooms located in physician offices.

[https://share.premierinc.com/sites/pcs/ICD/Folder/West_Coast_Advisory_Services/Clients/Desert_Healthcare_District/Needs_Assessment/Analysis/\[Premier_ASC_Overview.xlsx\]ASC_Summary](https://share.premierinc.com/sites/pcs/ICD/Folder/West_Coast_Advisory_Services/Clients/Desert_Healthcare_District/Needs_Assessment/Analysis/[Premier_ASC_Overview.xlsx]ASC_Summary)

Service Area Imaging Centers Overview

Desert Healthcare District
 Overview of Service Area Imaging Centers
 CY 2015

Facility	Imaging Services Provided									
	Bone Density Scans (DXA)	CT	Interventional Radiology	Mammography	MRI	Nuclear Medicine	PET	Radiation Therapy	Ultrasound	X-Ray
Desert Medical Imaging - Indian Wells		✓			✓				✓	
Desert Medical Imaging - Indio		✓			✓				✓	
Desert Medical Imaging - Palm Springs		✓			✓				✓	
Desert Regional Medical Center Imaging (El Mirador Imaging Center)	✓	✓		✓	✓		✓		✓	✓
Eisenhower Medical Center Imaging		✓	✓		✓	✓	✓		✓	✓
Health Scan Imaging - La Quinta					✓				✓	✓
Health Scan Imaging - Palm Desert		✓			✓				✓	
Health Scan Imaging - Palm Springs		✓			✓				✓	
John F. Kennedy Memorial Hospital Imaging Center	✓	✓		✓	✓				✓	✓
RadNet - Desert Advanced Imaging - Bermuda Dunes										✓
RadNet - Desert Advanced Imaging - Breast Care Imaging Center of the Desert	✓			✓	✓				✓	
RadNet - Desert Advanced Imaging - El Cielo										✓
RadNet - Desert Advanced Imaging - Indio				✓					✓	✓
RadNet - Desert Advanced Imaging - Palm Desert		✓			✓					✓
RadNet - Desert Advanced Imaging - Palm Springs				✓	✓	✓			✓	✓
RadNet - Desert Advanced Imaging - Vascular Center									✓ (Vascular Ultrasound Only)	
RadNet - Desert Advanced Imaging Palm Desert X-Ray										✓
RadNet - Rancho Mirage Interventional Radiology and Advanced Imaging Center		✓	✓	✓	✓		✓		✓	✓
The PET Center							✓			
Truly Open MRI-Palm Desert					✓					

Source: Definitive Healthcare, facility websites

[https://share.premierinc.com/sites/pcs/ICD/Folder/West_Coast_Advisory_Services/Clients/Desert_Healthcare_District/Needs_Assessment/Analysis/\[Premier_Imaging_Center_Analysis.xlsx\]Summary](https://share.premierinc.com/sites/pcs/ICD/Folder/West_Coast_Advisory_Services/Clients/Desert_Healthcare_District/Needs_Assessment/Analysis/[Premier_Imaging_Center_Analysis.xlsx]Summary)

Service Area Home Health Agencies Overview

Desert Healthcare District Overview of Service Area Home Health Agencies CY 2015

Home Health Agency	Number of Patients	Number of Visits	Average Visits per Patient	Accepts	
				Medicare	Medi-Cal
Addus HomeCare - Palm Desert	Not Reported	Not Reported	N/A	Yes	Yes
Care Dimensions of the Desert	975	10,435	10.7	Yes	Yes
Desert Home Health Services, Inc.	1,955	2,161	1.1	Yes	No
Desert Oasis Healthcare	2,457	22,600	9.2	Yes	No
Guardian Angel Home Care, Inc.	263	3,678	14.0	Yes	Yes
Healthy Living at Home Palm Desert, LLC	Not Reported	Not Reported	N/A	Yes	No
Home Health Angels	223	3,352	15.0	Yes	No
Live Life Home Health, LLC	98	1,485	15.2	Yes	No
Maxim Healthcare Services Palm Desert	Not Reported	Not Reported	N/A	No	Yes
Maxim Healthcare Services Rancho Mirage	149	33,169	222.6	No	Yes
Mission Home Health of Rancho Mirage	1,788	26,833	15.0	Yes	Yes
ResCare HomeCare Greater Palm Springs Area	Not Reported	Not Reported	N/A	Yes	Yes
Sanrose Home Health Services, Inc.	51	695	13.6	Yes	Yes
VNA California - Palm Desert	2,845	41,546	14.6	Yes	Yes

Source: California Automated Licensing Information and Report Tracking System, Definitive Healthcare, facility websites, and Premier, Inc.

[https://share.premierinc.com/sites/pcs/ICD/Folder/West_Coast_Advisory_Services/Clients/Desert_Healthcare_District/Needs_Assessment/Analysis/\[Premier_Coachella_Provider_Analysis.xlsx\]Home Health](https://share.premierinc.com/sites/pcs/ICD/Folder/West_Coast_Advisory_Services/Clients/Desert_Healthcare_District/Needs_Assessment/Analysis/[Premier_Coachella_Provider_Analysis.xlsx]Home Health)



Historical and Projected Inpatient
Utilization Trends

The heatmap displays a grid of colored squares representing utilization trends. The color scale ranges from dark blue (low utilization) to dark red (high utilization). The top-left corner features the PREMIER logo. The bottom-right section contains the title 'Historical and Projected Inpatient Utilization Trends'.



Assumptions: Use Rates by Service Line

- ▶ Overall inpatient use rates (discharges per 1,000 population) for the service area decreased between CY 2012 and 2015. This trend is expected to continue across most medical and surgical inpatient service lines for the duration of the projection period, and is attributed to the following:
 - Continued rise of high-deductible insurance plans that constrain medical use
 - Impact of value-based care models (e.g., accountable care organizations, bundled payments, patient-centered medical homes [e.g., Comprehensive Primary Care Plus (“CPC+”)], risk-based payment contracts, and performance-based physician incentives) that seek to achieve enhanced coordination of care, better quality outcomes, and reduced costs across care settings
 - Patients treated under these models typically have lower lengths of stay and less readmissions
 - Providers are seeking to reduce preventable hospitalizations for acute and chronic conditions, and preventable readmissions by ensuring patients receive home-based disease management programs and outpatient care, instead of accessing hospital care
 - Shift in volumes from inpatient to observation status through the two-midnight census rule implemented by the Centers for Medicare & Medicaid Services (“CMS”) in October, 2013, and the continued shift in inpatient volume to outpatient care settings for ambulatory case-sensitive admissions (e.g., uncontrolled diabetes, hypertension, dehydration)
 - Providers are aggressively increasing intensive medical management for chronic conditions on an outpatient basis



Assumptions: Use Rates by Service Line (continued)

- ▶ Between CY 2007 and 2015, the number of births in the United States for women ages 15-44 years decreased by 7.9 percent. According to the Centers for Disease Control and Prevention, national fertility rates experienced a sharp decline across all ethnic cohorts during this time period, specifically: white fertility rates decreased by 8 percent, black fertility rates decreased by 6 percent, and Hispanic fertility rates decreased by 13 percent. Additionally, the teen childbirth rate also decreased by 46 percent during this same time period. Similarly, birth rates in the service area have decreased over the time period, CY 2012 through 2015. This trend will likely continue due to:
 - Changing social behaviors and lifestyle choices, including delaying marriage and parenthood to accommodate advanced schooling and careers
 - Increased access to contraception
 - Recovery from the recent economic downturn
 - Leveling off of the number of Mexican immigrants and their share of the total United States population. According to the National Center for Health Statistics, annual births to foreign-born women account for the largest driver of birth-related volume since 1970, with immigrants from Mexico representing the largest national-origin group in the United States. However, the number of Mexican immigrants and their proportion of the total United States immigrant population has decreased since the economic downturn in 2008, thereby resulting in a decrease in the number of reported births.



Assumptions: Use Rates by Service Line (continued)

- ▶ While the total number of new cancer cases is expected to increase from 1.5 million per year in CY 2010 to 1.9 million per year in CY 2020 throughout the United States, the incidence rate for new diagnoses is expected to remain relatively flat, and the increase in new cases is attributed to an aging population.⁽¹⁾ Use rates for oncology and hematology services are expected to increase slightly over the projection period because:
 - Cancer patients are living longer and will experience an increased use of healthcare services
 - The service area has higher mortality rates for cancer when compared to the State overall, thereby implying increased demand for these services

Total Service Area Inpatient Discharges by Service Line

- Although use rates are projected to decrease for almost all inpatient medical and surgical service lines, total volume in the service area is expected to increase due to population growth and aging of the population.

Desert Healthcare District
Service Area Inpatient Discharges by Service Line
CY 2012 - 2026

Service Lines	Historical Inpatient Discharges				Projected Inpatient Discharges		
	2012	2013	2014	2015	2016	2021	2026
Cardiology - Diagnostic	1,612	1,434	1,341	1,341	1,344	1,375	1,439
Cardiology - Medical	3,942	3,571	3,371	3,342	3,349	3,426	3,586
Cardiology - Surgery	411	369	411	444	445	455	476
Chemical Dependency	142	165	194	221	224	238	253
Endocrine	1,191	1,040	1,055	1,115	1,127	1,192	1,261
ENT	328	294	304	309	312	330	350
Gastroenterology	3,709	3,479	3,432	3,600	3,626	3,756	3,896
General Medicine	3,497	3,384	3,635	4,152	4,161	4,256	4,455
General Surgery	3,606	3,606	3,680	3,467	3,474	3,554	3,720
Gynecology	744	674	598	632	638	666	695
Neonatal Intensive Care	1,660	1,506	1,573	1,609	1,613	1,635	1,672
Neurology	2,389	2,199	2,229	2,183	2,199	2,278	2,363
Neurosurgery	462	451	382	307	308	315	329
Obstetrics & Deliveries	6,058	5,721	5,770	5,736	5,748	5,878	6,143
Oncology	1,542	1,495	1,465	1,488	1,506	1,602	1,705
Ophthalmology	78	68	65	51	52	55	58
Orthopedics	3,819	3,859	4,038	4,074	4,103	4,250	4,409
Others NC	0	0	48	0	0	0	0
Plastic Surgery	271	282	243	268	269	275	288
Psychiatry	149	124	141	168	170	181	192
Pulmonary Medicine	3,311	3,518	3,233	3,187	3,210	3,333	3,517
Rehabilitation	2	2	2	1	1	1	1
Spine Surgery	544	548	619	735	737	762	807
Thoracic & Vascular Surgery	810	820	807	683	684	700	733
Transplant	33	33	39	27	27	29	31
Urology	1,890	1,954	2,040	2,208	2,218	2,298	2,425
TOTAL	42,200	40,596	40,715	41,348	41,543	42,838	44,803

Source: OSHPD Inpatient Database and Premier, Inc.

https://share.premierinc.com/sites/pcs/ICDFolder/West_Coast_Advisory_Services/Clients/Desert_Healthcare_District/Needs_Assessment/Analysis/Inpatient_Model.xlsx Service Area Volume

DRMC: Projected Inpatient Market Share by Service Line

- ▶ In order to evaluate DRMC's capacity while considering community need for inpatient healthcare services, Premier assumed that the Hospital would experience a three percentage point increase in overall market share by CY 2021. DRMC's market share levels were projected to remain flat each year thereafter.

Desert Regional Medical Center
Inpatient Discharge Market Share by Service Line
CY 2012 - 2026

Service Lines	Historical Inpatient Market Share				Projected Inpatient Market Share		
	2012	2013	2014	2015	2016	2021	2026
Cardiology - Diagnostic/Interventional	33.4%	34.2%	36.5%	37.4%	38.4%	40.4%	40.4%
Cardiology - Medical	29.0%	31.9%	31.7%	32.4%	33.4%	35.4%	35.4%
Cardiology - Surgery	24.8%	26.0%	24.3%	24.5%	25.5%	27.5%	27.5%
Chemical Dependency	30.3%	41.2%	23.2%	32.6%	33.6%	35.6%	35.6%
Endocrine	23.4%	25.9%	29.8%	29.9%	30.9%	32.9%	32.9%
ENT	17.4%	16.3%	18.4%	23.0%	24.0%	26.0%	26.0%
Gastroenterology	27.4%	28.0%	31.3%	31.8%	32.8%	34.8%	34.8%
General Medicine	28.0%	25.3%	28.5%	26.9%	27.9%	29.9%	29.9%
General Surgery	27.0%	24.7%	26.1%	26.8%	27.8%	29.8%	29.8%
Gynecology	48.3%	42.1%	44.3%	41.1%	42.1%	44.1%	44.1%
Neonatal Intensive Care	58.6%	60.2%	63.3%	66.7%	67.7%	69.7%	69.7%
Neurology	32.1%	33.9%	33.8%	32.9%	33.9%	35.9%	35.9%
Neurosurgery	26.0%	23.9%	28.5%	32.6%	33.6%	35.6%	35.6%
Obstetrics & Deliveries	52.6%	52.7%	54.0%	53.1%	54.1%	56.1%	56.1%
Oncology	19.3%	16.9%	22.3%	24.3%	25.3%	27.3%	27.3%
Ophthalmology	28.2%	23.5%	32.3%	35.3%	36.3%	38.3%	38.3%
Orthopedics	24.5%	25.8%	25.3%	24.3%	25.3%	27.3%	27.3%
Others NC	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Plastic Surgery	24.4%	19.1%	17.7%	17.2%	18.2%	20.2%	20.2%
Psychiatry	28.9%	27.4%	23.4%	31.0%	32.0%	34.0%	34.0%
Pulmonary Medicine	28.1%	28.5%	29.6%	29.0%	30.0%	32.0%	32.0%
Rehabilitation	0.0%	50.0%	0.0%	100.0%	100.0%	100.0%	100.0%
Spine Surgery	8.3%	9.5%	12.4%	13.6%	14.6%	16.6%	16.6%
Thoracic & Vascular Surgery	25.8%	32.3%	32.3%	29.7%	30.7%	32.7%	32.7%
Transplant	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Urology	23.2%	24.2%	25.4%	24.5%	25.5%	27.5%	27.5%
Total	32.1%	32.1%	33.5%	33.4%	34.3%	36.3%	36.2%

Source: OSHPD Inpatient Database and Premier, Inc.

[https://share.premierinc.com/sites/pcs/ICD/Folder/West_Coast_Advisory_Services/Clients/Desert_Healthcare_District/Needs_Assessment/Analysis/\[Inpatient_Model.xlsx\]Market Share Adjustments](https://share.premierinc.com/sites/pcs/ICD/Folder/West_Coast_Advisory_Services/Clients/Desert_Healthcare_District/Needs_Assessment/Analysis/[Inpatient_Model.xlsx]Market_Share_Adjustments)

DRMC: Projected Hospital Discharges Originating from the Service Area

- ▶ The table provided to the right illustrates total projected discharges originating from the service area for DRMC. This projected utilization excludes in-migration (patients receiving care at DRMC who originate from outside of the service area).

Desert Regional Medical Center
Service Area Inpatient Discharges by Service Line
CY 2012 - 2026

Service Lines	Historical Inpatient Discharges				Projected Inpatient Discharges		
	2012	2013	2014	2015	2016	2021	2026
Cardiology - Diagnostic/Interventional	539	491	490	502	516	556	582
Cardiology - Medical	1,144	1,140	1,069	1,084	1,120	1,214	1,271
Cardiology - Surgery	102	96	100	109	114	125	131
Chemical Dependency	43	68	45	72	75	85	90
Endocrine	279	269	314	333	348	392	414
ENT	57	48	56	71	75	86	91
Gastroenterology	1,017	975	1,075	1,145	1,189	1,307	1,356
General Medicine	979	856	1,036	1,118	1,162	1,274	1,333
General Surgery	975	889	962	930	967	1,060	1,109
Gynecology	359	284	265	260	269	294	307
Neonatal Intensive Care	973	906	995	1,073	1,092	1,139	1,165
Neurology	767	745	753	719	746	818	849
Neurosurgery	120	108	109	100	103	112	117
Obstetrics & Deliveries	3,188	3,017	3,115	3,044	3,108	3,296	3,444
Oncology	297	253	326	361	381	437	465
Ophthalmology	22	16	21	18	19	21	22
Orthopedics	934	996	1,022	989	1,037	1,159	1,203
Others NC	0	0	0	0	0	0	0
Plastic Surgery	66	54	43	46	49	55	58
Psychiatry	43	34	33	52	54	61	65
Pulmonary Medicine	931	1,002	957	923	962	1,065	1,124
Rehabilitation	0	1	0	1	1	1	1
Spine Surgery	45	52	77	100	108	127	134
Thoracic & Vascular Surgery	209	265	261	203	210	229	240
Transplant	0	0	0	0	0	0	0
Urology	438	472	519	540	565	631	666
TOTAL	13,527	13,037	13,643	13,793	14,268	15,544	16,238

Source: OSHPD Inpatient Database and Premier, Inc.

[https://share.premierinc.com/sites/pcs/ICD/Folder/West_Coast_Advisory_Services/Clients/Desert_Healthcare_District/Needs_Assessment/Analysis/\[Inpatient_Model.xlsx\]DRMC Volume](https://share.premierinc.com/sites/pcs/ICD/Folder/West_Coast_Advisory_Services/Clients/Desert_Healthcare_District/Needs_Assessment/Analysis/[Inpatient_Model.xlsx]DRMC Volume)

Average Length of Stay

- Premier projected a small decrease in the service area's average length of stay ("ALOS") for most inpatient service lines to reflect the pending impact of value-based care models and risk-based contracts.

Desert Healthcare District
Service Area Inpatient Average Length of Stay by Service Line
CY 2012 - 2026

Service Lines	Historical Inpatient Average Length of Stay				Projected Inpatient ALOS		
	2012	2013	2014	2015	2016	2021	2026
Cardiology - Diagnostic/Interventional	2.9	3.2	3.1	3.2	3.2	2.9	2.9
Cardiology - Medical	2.5	2.6	2.7	2.9	2.8	2.7	2.7
Cardiology - Surgery	7.7	7.8	7.5	7.6	7.5	7.3	7.3
Chemical Dependency	3.4	3.2	3.7	3.7	3.7	3.7	3.7
Endocrine	3.4	3.3	3.2	3.1	3.0	2.8	2.8
ENT	3.3	3.1	3.1	3.2	3.1	2.9	2.9
Gastroenterology	3.5	3.5	3.5	3.4	3.4	3.1	3.1
General Medicine	5.2	5.2	5.4	5.2	5.1	4.9	4.9
General Surgery	6.3	6.0	6.3	6.1	6.1	5.7	5.7
Gynecology	2.5	2.6	2.7	2.9	2.9	2.6	2.6
Neonatal Intensive Care	6.5	6.8	6.6	5.6	5.6	5.6	5.6
Neurology	3.5	3.4	3.6	3.4	3.4	3.2	3.2
Neurosurgery	5.3	6.1	6.8	8.1	8.1	6.4	6.4
Obstetrics & Deliveries	2.1	2.2	2.2	2.1	2.1	2.1	2.1
Oncology	6.1	6.0	5.7	5.1	5.1	5.1	5.1
Ophthalmology	2.5	3.6	4.4	4.1	4.0	3.6	3.6
Orthopedics	3.6	3.6	3.6	3.5	3.4	3.0	3.0
Others NC	0.0	0.0	3.4	0.0	0.0	0.0	0.0
Plastic Surgery	5.1	5.8	5.9	6.3	6.3	5.3	5.3
Psychiatry	3.1	4.7	5.0	4.4	4.4	4.4	4.4
Pulmonary Medicine	4.6	4.4	4.4	4.9	4.9	4.9	4.9
Rehabilitation	17.0	19.0	8.0	3.0	3.0	3.0	3.0
Spine Surgery	4.0	4.1	4.2	3.9	3.8	3.5	3.5
Thoracic & Vascular Surgery	5.6	5.8	5.2	5.5	5.5	5.1	5.1
Transplant	18.5	16.6	18.8	14.0	14.0	14.0	14.0
Urology	3.7	3.8	3.8	3.7	3.6	3.2	3.2

Source: OSHPD Inpatient Database and Premier, Inc.

[https://share.premierinc.com/sites/pcs/CD/Folder/West_Coast_Advisory_Services/Clients/Desert_Healthcare_District/Needs_Assessment/Analysis/\[Inpatient_Model.xlsx\]ALOS](https://share.premierinc.com/sites/pcs/CD/Folder/West_Coast_Advisory_Services/Clients/Desert_Healthcare_District/Needs_Assessment/Analysis/[Inpatient_Model.xlsx]ALOS)

Percent of Inpatient Days Allocated by Bed Type

Desert Healthcare District

Service Area Inpatient Discharges and Patient Days by Service Line - Cross Walk by Bed Type
CY 2015

► In order to project utilization by licensed bed type, Premier allocated patient days by bed type for each inpatient service line.

- Note: Actual patient days by bed type by inpatient service line were not available for the market or DRMC. In the absence of this data, Premier assigned these allocations based upon our experience and understanding of the marketplace.

Service Lines	Med/Surg (Acute)	Critical Care (ICU and CCU)	Pediatrics	OB (Perinatal)	NICU	Rehab	Psych	TOTAL
Cardiology - Diagnostic/Interventional	74.8%	25.0%	0.2%	0.0%	0.0%	0.0%	0.0%	100.0%
Cardiology - Medical	74.4%	25.0%	0.6%	0.0%	0.0%	0.0%	0.0%	100.0%
Cardiology - Surgery	74.5%	25.0%	0.5%	0.0%	0.0%	0.0%	0.0%	100.0%
Chemical Dependency	75.0%	25.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
Endocrine	71.8%	25.0%	3.2%	0.0%	0.0%	0.0%	0.0%	100.0%
ENT	87.2%	10.0%	2.8%	0.0%	0.0%	0.0%	0.0%	100.0%
Gastroenterology	85.1%	10.0%	4.9%	0.0%	0.0%	0.0%	0.0%	100.0%
General Medicine	84.3%	10.0%	5.7%	0.0%	0.0%	0.0%	0.0%	100.0%
General Surgery	68.1%	25.0%	6.9%	0.0%	0.0%	0.0%	0.0%	100.0%
Gynecology	89.7%	10.0%	0.3%	0.0%	0.0%	0.0%	0.0%	100.0%
Neonatal Intensive Care	0.0%	0.0%	25.0%	0.0%	75.0%	0.0%	0.0%	100.0%
Neurology	81.0%	15.0%	4.0%	0.0%	0.0%	0.0%	0.0%	100.0%
Neurosurgery	74.5%	25.0%	0.5%	0.0%	0.0%	0.0%	0.0%	100.0%
Obstetrics & Deliveries	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	100.0%
Oncology	87.3%	10.0%	2.7%	0.0%	0.0%	0.0%	0.0%	100.0%
Ophthalmology	97.2%	2.5%	0.3%	0.0%	0.0%	0.0%	0.0%	100.0%
Orthopedics	86.9%	10.0%	3.1%	0.0%	0.0%	0.0%	0.0%	100.0%
Others NC	75.0%	25.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
Plastic Surgery	89.7%	10.0%	0.3%	0.0%	0.0%	0.0%	0.0%	100.0%
Psychiatry	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	100.0%
Pulmonary Medicine	57.0%	25.0%	18.0%	0.0%	0.0%	0.0%	0.0%	100.0%
Rehabilitation	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	100.0%
Spine Surgery	89.6%	10.0%	0.4%	0.0%	0.0%	0.0%	0.0%	100.0%
Thoracic & Vascular Surgery	74.6%	25.0%	0.4%	0.0%	0.0%	0.0%	0.0%	100.0%
Transplant	74.9%	25.0%	0.1%	0.0%	0.0%	0.0%	0.0%	100.0%
Urology	95.2%	2.5%	2.3%	0.0%	0.0%	0.0%	0.0%	100.0%

Source: Premier, Inc.

[https://share.premierinc.com/sites/pcs/CD/ Folder/West_Coast_Advisory_Services/Clients/Desert_Healthcare_District/Needs_Assessment/Analysis/\[Inpatient_Model.xlsx\]Days to Bed Type Cross Walk](https://share.premierinc.com/sites/pcs/CD/ Folder/West_Coast_Advisory_Services/Clients/Desert_Healthcare_District/Needs_Assessment/Analysis/[Inpatient_Model.xlsx]Days to Bed Type Cross Walk)



Occupancy Rates by Bed Type

Bed Type	Occupancy Rate
Medical/Surgical	85%
Critical Care (Intensive Care, Coronary Care)	75%
Obstetrics (Perinatal)	75%
Neonatal Intensive Care	75%
Pediatrics	75%
Psychiatric	75%
Rehabilitation	75%

Projected Service Area Bed Need

Desert Healthcare District
Service Area Projected Bed Need
CY 2012 - 2026

	Historical				Projected		
	2012	2013	2014	2015	2016	2021	2026
Medical Surgical							
<i>Service Area:</i>							
Total Licensed Beds in Service Area	696	696	696	696	696	696	696
Bed Need at Optimal Occupancy (Rounded Up)	361	353	359	363	360	349	366
Total Service Area Bed (Need)/Surplus	335	343	337	333	336	347	330
<i>DRMC:</i>							
Total Licensed Beds at DRMC	238	238	238	238	238	238	238
Bed Need at Optimal Occupancy (Rounded Up)	96	93	100	101	104	108	113
Total Bed (Need)/Surplus at DRMC	142	145	138	137	134	130	125
Critical Care							
<i>Service Area:</i>							
Total Licensed Beds in Service Area	117	117	117	117	117	117	117
Bed Need at Optimal Occupancy (Rounded Up)	90	87	87	88	87	85	89
Total Service Area Bed (Need)/Surplus	27	30	30	29	30	32	28
<i>DRMC:</i>							
Total Licensed Beds at DRMC	31	31	31	31	31	31	31
Bed Need at Optimal Occupancy (Rounded Up)	25	24	25	25	26	27	28
Total Bed (Need)/Surplus at DRMC	6	7	6	6	5	4	3
Pediatrics							
<i>Service Area:</i>							
Total Licensed Beds in Service Area	42	42	42	42	42	42	42
Bed Need at Optimal Occupancy (Rounded Up)	37	36	37	36	36	36	38
Total Service Area Bed (Need)/Surplus	5	6	5	6	6	6	4
<i>DRMC:</i>							
Total Licensed Beds at DRMC	14	14	14	14	14	14	14
Bed Need at Optimal Occupancy (Rounded Up)	14	13	14	14	14	15	15
Total Bed (Need)/Surplus at DRMC	0	1	0	0	0	(1)	(1)
Obstetrics (Perinatal)							
<i>Service Area:</i>							
Total Licensed Beds in Service Area	54	54	54	54	54	54	54
Bed Need at Optimal Occupancy (Rounded Up)	48	46	46	45	45	46	48
Total Service Area Bed (Need)/Surplus	6	8	8	9	9	8	6
<i>DRMC:</i>							
Total Licensed Beds at DRMC	28	28	28	28	28	28	28
Bed Need at Optimal Occupancy (Rounded Up)	25	24	25	24	25	26	27
Total Bed (Need)/Surplus at DRMC	3	4	3	4	3	2	1

Source: OSHPD Inpatient Database and Premier, Inc.

Note: Projected bed need is based on volume that originates from the service area only, and does not consider in-migration.

https://share.premierinc.com/sites/pcs/ICD/Folder/West_Coast_Advisory_Services/Clients/Desert_Healthcare_District/Needs_Assessment/Analysis/Inpatient_Model.xlsxTotal Bed Need Summary

Projected Service Area Bed Need (continued)

Desert Healthcare District
Service Area Projected Bed Need
CY 2012 - 2026

	Historical				Projected		
	2012	2013	2014	2015	2016	2021	2026
Neonatal Intensive Care							
<i>Service Area:</i>							
Total Licensed Beds in Service Area	41	41	41	41	41	41	41
Bed Need at Optimal Occupancy (Rounded Up)	30	29	29	25	25	26	26
Total Service Area Bed (Need)/Surplus	11	12	12	16	16	15	15
<i>DRMC:</i>							
Total Licensed Beds at DRMC	30	30	30	30	30	30	30
Bed Need at Optimal Occupancy (Rounded Up)	18	17	19	17	17	18	18
Total Bed (Need)/Surplus at DRMC	12	13	11	13	13	12	12
Rehabilitation							
<i>Service Area:</i>							
Total Licensed Beds in Service Area	35	35	35	35	35	35	35
Bed Need at Optimal Occupancy (Rounded Up)	1	1	1	1	1	1	1
Total Service Area Bed (Need)/Surplus	34	34	34	34	34	34	34
<i>DRMC:</i>							
Total Licensed Beds at DRMC	12	12	12	12	12	12	12
Bed Need at Optimal Occupancy (Rounded Up)	0	1	0	1	1	1	1
Total Bed (Need)/Surplus at DRMC	12	11	12	11	11	11	11
Psychiatric							
<i>Service Area:</i>							
Total Licensed Beds in Service Area	29	29	29	29	29	29	29
Bed Need at Optimal Occupancy (Rounded Up)	2	3	3	3	3	3	4
Total Service Area Bed (Need)/Surplus	27	26	26	26	26	26	25
<i>DRMC:</i>							
Total Licensed Beds at DRMC	0	0	0	0	0	0	0
Bed Need at Optimal Occupancy (Rounded Up)	1	1	1	1	1	1	2
Total Bed (Need)/Surplus at DRMC	(1)	(1)	(1)	(1)	(1)	(1)	(2)

Source: OSHPD Inpatient Database and Premier, Inc.

Note: Projected bed need is based on volume that originates from the service area only, and does not consider in-migration.

[https://share.premierinc.com/sites/pcs/ICD/Folder/West_Coast_Advisory_Services/Clients/Desert_Healthcare_District/Needs_Assessment/Analysis/\[Inpatient_Model.xlsx\]Total Bed Need Summary \(2\)](https://share.premierinc.com/sites/pcs/ICD/Folder/West_Coast_Advisory_Services/Clients/Desert_Healthcare_District/Needs_Assessment/Analysis/[Inpatient_Model.xlsx]Total_Bed_Need_Summary_(2))

Summary of Projected Service Area Bed (Need)/Surplus

Desert Healthcare District
Service Area Projected Bed Need Summary by Licensed Bed Type
CY 2016 - 2026

Service Line	Projected Bed (Need)/Surplus		
	2016	2021	2026
Service Area			
Medical Surgical	336	347	330
Critical Care	30	32	28
Pediatrics	6	6	4
Obstetrics (Perinatal)	9	8	6
Neonatal Intensive Care	16	15	15
Rehabilitation	34	34	34
Psychiatric	26	26	25
Total Bed (Need)/Surplus in the Service Area	457	468	442
Desert Regional Medical Center			
Medical Surgical	134	130	125
Critical Care	5	4	3
Pediatrics	0	(1)	(1)
Obstetrics (Perinatal)	3	2	1
Neonatal Intensive Care	13	12	12
Rehabilitation	11	11	11
Psychiatric	(1)	(1)	(2)
Total Bed (Need)/Surplus at Desert Regional Medical Center	165	157	149

Desert_Healthcare_District/Needs_Assessment/Analysis/[Inpatient_Model.xlsx]Overview

Source: OSHPD Inpatient Database and Premier, Inc.

Note: Projected bed need is based on volume that originates from the service area only, and does not consider in-migration.



Emergency Department Utilization Trends

The heatmap displays utilization trends across a grid of 10 columns and 10 rows. The color scale ranges from dark blue (low utilization) to dark red (high utilization). The top-left corner (row 1, column 1) is dark blue. The top row (row 1) shows a gradient from dark blue to dark red. The middle rows (rows 4-6) show a mix of colors, with a prominent red square at row 4, column 4. The bottom row (row 10) shows a gradient from dark blue to dark red. The bottom-right corner (row 10, column 10) is dark red.



Historical Service Area Emergency Department Utilization and Market Share Trends, CY 2013 - 2015

- ▶ Total ED visits increased by almost 16 percent between CY 2013 and 2015. Given the successful implementation of the Medi-Cal expansion program and the roll-out of the Covered California Healthcare Exchange, demand for ED services in the service area will continue as patients continue to use this modality as a form of primary care, and population growth will result in increased demand for instant access to care.
 - It should be noted that while the impact of healthcare reform and the expansion of coverage through Covered California resulted in increased access to providers who are willing to treat patients who were previously uninsured, there is a shortage of primary care providers and limited access to such services within the District's service area (evidenced by the HPSA and MUA analyses). Combined with the fact that residents in the District's service area have worse health status outcomes when compared to the State overall, it is likely that patients in this community will continue to utilize the ED as their primary source for healthcare services, particularly for conditions that could have been treated in a clinic or primary care physician office.
- ▶ The table provided on the following page illustrates the service area's total ED visits for the three-year time period, CY 2013 through 2015, and each facility's market share thereof.

Historical Service Area Emergency Department Utilization and Market Share Trends, CY 2013 – 2015 (continued)

Desert Healthcare District Service Area Emergency Department Utilization and Market Share Trends CY 2013 - 2015

Facility	Total Emergency Department Visits				Emergency Department Visits Market Share			
	2013	2014	2015	Percent Change, CY 2013 - 2015	2013	2014	2015	Change, CY 2013 - 2015
Desert Regional Medical Center	62,916	67,971	71,937	14.3%	37.9%	37.8%	37.4%	-0.5%
Eisenhower Medical Center	66,964	73,259	78,070	16.6%	40.4%	40.8%	40.6%	0.3%
John F. Kennedy Memorial Hospital	36,018	38,427	42,085	16.8%	21.7%	21.4%	21.9%	0.2%
Total	165,898	179,657	192,092	15.8%	100.0%	100.0%	100.0%	
<i>Use Rate (Visits per 1,000 Population)</i>	<i>292.4</i>	<i>312.8</i>	<i>330.5</i>	<i>13.0%</i>				

Source: California Automated Licensing Information and Report Tracking System

[https://share.premierinc.com/sites/pcs/CD/Folder/West_Coast_Advisory_Services/Clients/Desert_Healthcare_District/Needs_Assessment/Analysis/\[Premier_Emergency_Department_Analysis.xlsx\]Utilization Trends](https://share.premierinc.com/sites/pcs/CD/Folder/West_Coast_Advisory_Services/Clients/Desert_Healthcare_District/Needs_Assessment/Analysis/[Premier_Emergency_Department_Analysis.xlsx]Utilization_Trends)

Historical Service Area Emergency Department Capacity Analysis, CY 2013 - 2015

Desert Healthcare District
Service Area Emergency Department Capacity Analysis
CY 2013 - 2015

- Within the service area, there is an overall shortage of ED capacity (e.g., stations), with capacity constraints existing at both DRMC and John F. Kennedy Memorial Hospital.

	Calendar Year		
	2013	2014	2015
Total ED Visits			
Desert Regional Medical Center	62,916	67,971	71,937
Eisenhower Medical Center	66,964	73,259	78,070
John F. Kennedy Memorial Hospital	36,018	38,427	42,085
Total Emergency Department Visits	165,898	179,657	192,092
Service Area ED Capacity Analysis:			
Total ED Stations in Service Area	81	83	83
ED Station Need @ 2,000 Visits per Station	83	90	97
Service Area ED Station (Need)/Surplus	(2)	(7)	(14)
ED Station Capacity and Need by Facility:			
Desert Regional Medical Center - Total Existing Stations ⁽¹⁾	28	28	28
ED Station Need @ 2,000 Visits per Station	32	34	36
Desert Regional Medical Center ED Station (Need)/Surplus	(4)	(6)	(8)
Eisenhower Medical Center - Total Existing Stations	41	43	43
ED Station Need @ 2,000 Visits per Station	34	37	40
Eisenhower Medical Center ED Station (Need)/Surplus	7	6	3
John F. Kennedy Memorial Hospital - Total Existing Stations	12	12	12
ED Station Need @ 2,000 Visits per Station	19	20	22
John F. Kennedy Memorial Hospital ED Station (Need)/Surplus	(7)	(8)	(10)

Source: California Automated Licensing Information and Report Tracking System and Premier, Inc.

Note: Numbers may not foot due to rounding.

(1) Excludes planned expansion of Desert Regional Medical Center Emergency Department, resulting in 8 incremental emergency department stations in the future.

https://share.premierinc.com/sites/pcs/CD/Folder/West_Coast_Advisory_Services/Clients/Desert_Healthcare_DistrictNeeds_Assessment/Analysis/Premier_Emergency_Department_Analysis.xlsx Capacity Analysis



Projected Emergency Department Utilization and Resource Needs: Assumptions

Factor	Assumption
Use Rate (ED Visits per 1,000 population)	<ul style="list-style-type: none"> • Historical utilization for ED services (e.g. visits) for the service area was identified using the OSHPD ALIRTS database • To project ED visits for CY 2016 and beyond, the CY 2015 use rate was held constant for the duration of the projection period. This is based upon the following assumptions: <ul style="list-style-type: none"> • Recent increases in ED utilization resulting from expanded access to healthcare services through healthcare reform have stabilized • No major changes to the local healthcare delivery system (e.g., significant expansion of primary care and/or urgent care centers that would redirect use of the ED) are anticipated • Care management models (e.g., care coordination, patient navigation, and education) that temper ED utilization are not widely deployed throughout the community • It should be noted that in the future, providers will be incentivized to reduce unnecessary utilization of the ED. Thus, should one or of these models be deployed in the service area on a large enough scale, the community would likely experience a decrease in its ED use rate



Projected Emergency Department Utilization and Resource Needs: Assumptions (continued)

Factor	Assumption
Service Area Population Growth Rate	<ul style="list-style-type: none"> 1.2 percent per year
Growth in Service Area ED Visits	<ul style="list-style-type: none"> Total ED visits in the service area are projected to increase at the rate of population growth (1.2 percent annually)
Market Share	<ul style="list-style-type: none"> Market share for DRMC is projected to increase by three percentage points for the three-year time period, CY 2016 – 2018, and will remain flat for each year thereafter
ED Visits per Station	<ul style="list-style-type: none"> 2,000 visits per station per year

Projected Emergency Department Utilization and Resource Needs

Desert Healthcare District Service Area Projected Emergency Department Utilization and Station Need CY 2013 - 2026

	Historical			Projected		
	2013	2014	2015	2016	2021	2026
Service Area Utilization						
Total ED Visits	165,898	179,657	192,092	194,431	206,526	219,678
Visits per 1,000 Population	292.4	312.8	330.5	330.5	330.5	330.5
Total ED Stations in the Service Area (All Hospitals)	81	83	83	83	83	83
ED Station Need @ 2,000 Visits per Station	83	90	97	98	104	110
Service Area ED Station (Need)/Surplus	(2)	(7)	(14)	(15)	(21)	(27)
Desert Regional Medical Center						
Total ED Visits	62,916	67,971	71,937	74,757	83,538	88,858
Percent Market Share	37.9%	37.8%	37.4%	38.4%	40.4%	40.4%
Total Existing ED Stations ⁽¹⁾	28	28	28	28	28	28
ED Station Need @ 2,000 Visits per Station	32	34	36	38	42	45
DRMC ED Station (Need)/Surplus	(4)	(6)	(8)	(10)	(14)	(17)

Source: California Automated Licensing Information and Report Tracking System and Premier, Inc.

(1) Excludes planned expansion of Desert Regional Medical Center Emergency Department, resulting in 8 incremental emergency department stations in the future.

[https://share.premierinc.com/sites/pcs/CD/Folder/West_Coast_Advisory_Services/Clients/Desert_Healthcare_District/Needs_Assessment/Analysis/\[Premier_Emergency_Department_Analysis.xlsx\]ED_Projections](https://share.premierinc.com/sites/pcs/CD/Folder/West_Coast_Advisory_Services/Clients/Desert_Healthcare_District/Needs_Assessment/Analysis/[Premier_Emergency_Department_Analysis.xlsx]ED_Projections)



Desert Regional Medical Center
Seismic Compliance Summary



Seismic Compliance Summary

- ▶ In the most recent available “Seismic Evaluation Report and Hazus Supplemental Evaluation Report” for Building 1 (Main Hospital and Additions) last revised in January, 2010, three items requiring additional field observation and five items reported as a deficiency were noted in the main hospital and its additions:
 - Items requiring additional field observation:
 - Structural separations
 - Partition bracing
 - Parapets, cornices, ornamentation, and appendages
 - Items reported as a deficiency:
 - Adjacent buildings
 - Pre-Northridge Earthquake Welded Moment Frame Joints
 - Brace connection strength
 - Plan irregularities
 - Steel columns



Seismic Compliance Summary (continued)

- ▶ According to the SB 1953 Seismic Evaluation Compliance Plan, revised in 2006:
 - Buildings 1, 2, and 4 were also determined to need retrofitting before the 2013 deadline. Evidence of completion has been submitted to Premier for Building 1 only (Main Hospital and Additions)
 - The structural retrofit strategy for Building 2 (East Tower) involves the removal of the existing exterior curtain wall system and replacing it with a system that can accommodate the expected lateral displacements of the building
 - Buildings 1, 2, and 4 are scheduled for demolition and replacement by 2030 to meet Seismic Performance Category (“SPC”)-5 guidelines. All other buildings will receive nonstructural upgrades
 - The seismic status by 2013 should be:
 - Building 1: Main Hospital and Additions; SPC-2
 - Building 2: East Tower; SPC-2
 - Building 3: Women and Infants Hospital; SPC-3
 - Building 4: North Wing; SPC-2
 - Building 5: Central Plant; SPC-4
 - Building 6: Shipping and Receiving; SPC-4



Seismic Compliance Summary (continued)

- The seismic status by 2013 should be (continued):
 - Building 7: Surgery Wing; SPC-4
 - Building 8: West Tower; SPC-3
 - Building 9: Lobby; SPC-3
 - Building 10: Admitting; SPC-4
 - Building 11: Elevator Tower; SPC-4
 - Building 12: Dinah Shore Waiting Area; SPC-3
- ▷ In the most recent available “Seismic Evaluation Report and Hazus Supplemental Evaluation Report” for Building 4 (North Wing) last revised in May, 2008, the structure failed to achieve qualification for SPC-2 licensing. As of the date of this report, documentation was not provided to Premier to indicate if the building met the 2013 deadline of reaching this license.
- ▷ In the most recent available “Seismic Evaluation Report and Hazus Supplemental Evaluation Report” for Building 2 (East Tower) last revised in June, 2008, the structure failed to achieve qualification for SPC-2 licensing. As of the date of this report, documentation was not provided to Premier to indicate if the building met the 2013 deadline of reaching this license.
- ▷ A detailed summary of the areas that must be addressed to meet SPC criteria for Buildings 1, 2, and 4 are provided on the following pages. As of the date of this report, documentation for the remaining buildings summarizing the detail required to meet SPC criteria was not provided to Premier.



Summary of Seismic Evaluation Criteria That Did Not Pass Inspection: Building 1: Main Hospital and Additions (Source: OSHPD Report Dated January, 2010)

Area That Did Not Pass Inspection	Criteria/Requirement
Adjacent Buildings	There is no immediately adjacent structure that is less than half as tall or has floors/levels that do not match those of the building being evaluated. A neighboring structure is considered to be “immediately adjacent” if it is within two inches times the number of stories away from the building being evaluated
Pre-Northridge Earthquake Welded Moment Frame Joints	Welded steel moment frame beam-column joints are designed and constructed in accordance with recommendations in FEMA 267, Interim Guidelines: Evaluation, Repair, modification, and Design of Welded Steel moment Frame structures, August 1995
Connection Strength	All the brace connections are able to develop the yield capacity of the diagonals
Plan Irregularities	There is significant tensile capacity at re-entrant corners or other locations of plan irregularities
Steel Columns	The columns in the lateral force resisting frames are substantially anchored to the building foundation
Structural Separations	At structural separations, partitions in exit corridors have seismic or control joints



Summary of Seismic Evaluation Criteria That Did Not Pass Inspection: Building 1: Main Hospital and Additions (Source: OSHPD Report Dated January, 2010) (continued)

Area That Did Not Pass Inspection	Criteria/Requirement
Partition Bracing	In exit corridors, the tops of partitions that only extend to the ceiling line have lateral bracing
Parapets, Cornices, Ornamentation, and Appendages	There are no laterally unsupported unreinforced masonry parapets or cornices above the highest anchorage level with height/thickness ratios greater than 1.5. Concrete parapets with height/thickness ratios greater than 1.5 have vertical reinforcement. Cornices, parapets, signs, and other appendages that extend above the highest anchorage level or cantilever from exterior wall faces and other exterior wall ornamentation are reinforced and well anchored to the structural system



Summary of Seismic Evaluation Criteria That Did Not Pass Inspection: Building 2: East Tower (Source: OSHPD Report Dated June, 2008)

Area That Did Not Pass Inspection	Criteria/Requirement
Beam Penetrations	All openings in frame-beam webs have a depth less than $\frac{1}{4}$ of the beam depth and are located in the center half of the frame beams
Joint Webs	All web thicknesses within joints of moment resisting frames meet the American Institute for Steel Construction (“AISC”) criteria for web shear
Girder Flange Continuity Plates	There are girder flange continuity plates at joints
Pre-Northridge Earthquake Welded Moment Frame Joints	Welded steel moment frame beam-column joints are designed and constructed in accordance with recommendations in FEMA 267, Interim Guidelines: Evaluation, Repair, modification, and Design of Welded Steel moment Frame structures, August 1995
Plan Irregularities	There is significant tensile capacity at re-entrant corners or other locations of plan irregularities



Summary of Seismic Evaluation Criteria That Did Not Pass Inspection: Building 2: East Tower (Source: OSHPD Report Dated June, 2008) (continued)

Area That Did Not Pass Inspection	Criteria/Requirement
Masonry Partitions	There are no unbraced unreinforced masonry or hollow clay tile partitions in critical care areas, clinical laboratory service spaces, pharmaceutical service spaces, radiological service spaces, and central and sterile supply areas, exit corridors, elevator shafts, or stairwells
Structural Separations	At structural separations, partitions in exit corridors have seismic or control joints
Partition Bracing	In exit corridors, the tops of partitions that only extend to the ceiling line have lateral bracing
Masonry Veneer	Masonry veneer is connected to the back-up with corrosion-resistant ties spaced 24 inches on center maximum with at least one tie for every 2-2/3 square feet
Cladding Panels in Moment Frame Buildings	For moment frame buildings of steel or concrete, panels are isolated from the structural frame to absorb predicted inter-story drift without collapse



Summary of Seismic Evaluation Criteria That Did Not Pass Inspection: Building 2: East Tower (Source: OSHPD Report Dated June, 2008) (continued)

Area That Did Not Pass Inspection	Criteria/Requirement
Cladding Panel Condition	Cladding panel connections appear to be installed properly. No connection element is severely deteriorated or corroded. There is no cracking in the panel materials indicative of substantial structural distress. There is no substantial damage to exterior cladding due to water leakage. There is no substantial damage to exterior wall cladding due to temperature movements
Metal Stud Back-Up Systems, General	Additional steel studs frame window and door openings. Corrosion of veneer ties, tie screws, studs, and stud tracks is minimal. Stud tracks are adequately fastened to the structural frame
Masonry Veneer with Stud Back-Up	Masonry veneer more than 30 feet above the ground is supported by shelf angles or other elements at each floor level. Masonry veneer is adequately anchored to the back-up at locations of through-wall flashing. Masonry veneer is connected to the back-up with corrosion-resistant ties spaced 24 inches on center maximum and with at least one tie for every 2-2/3 square feet



Summary of Seismic Evaluation Criteria That Did Not Pass Inspection: Building 4: North Wing (Source: OSHPD Report Dated May, 2008)

Area That Did Not Pass Inspection	Criteria/Requirement
Vertical Discontinuities	All shear walls, infilled walls, and frames are continuous to the foundation
Adjacent Buildings	There is no immediately adjacent structure that is less than half as tall or has floors/levels that do not match those of the building being evaluated. A neighboring structure is considered to be “immediately adjacent” if it is within two inches times the number of stories away from the building being evaluated
Reinforcing	The total vertical and horizontal reinforcing steel in reinforced masonry walls is greater than 0.002 times the gross area of the wall with a minimum of 0.0007 in either of the two directions; the spacing of reinforcing steel is less than 48 inches; and all vertical bars extend to the top of the walls
Masonry Partitions	There are no unbraced unreinforced masonry or hollow clay tile partitions in critical care areas, clinical laboratory service spaces, pharmaceutical service spaces, radiological service spaces, and central and sterile supply areas, exit corridors, elevator shafts, or stairwells
Structural Separations	At structural separations, partitions in exit corridors have seismic or control joints



Summary of Seismic Evaluation Criteria That Did Not Pass Inspection: Building 4: North Wing (Source: OSHPD Report Dated May, 2008) (continued)

Area That Did Not Pass Inspection	Criteria/Requirement
Partition Bracing	In exit corridors, the tops of partitions that only extend to the ceiling line have lateral bracing
Parapets, Cornices, Ornamentation, and Appendages	There are no laterally unsupported unreinforced masonry parapets or cornices above the highest anchorage level with height/thickness ratios greater than 1.5. Concrete parapets with height/thickness ratios greater than 1.5 have vertical reinforcement. Cornices, parapets, signs, and other appendages that extend above the highest anchorage level or cantilever from exterior wall faces and other exterior wall ornamentation are reinforced and well anchored to the structural system

Appendix A: Interviews Completed Regarding
Community Health Status/Demographic Trends



Appendix A: Interviews Completed Regarding Health Status/Demographic Trends

Name	Title/Organization
Tricia Gehrlein	Associate Director, Clinton Foundation
Jenna LeComte-Hinely, PhD	Chief Executive Officer, Health Assessment and Research for Communities, Inc.
Gary Painter, PhD	Director of Social Policy, University of Southern California Sol Price Center for Social Innovation

Appendix B: Industry Trends



Overall Covered California Enrollment

- ▶ Statewide, over 1.5 million individuals selected health plans through Covered California during its fourth open enrollment period, ending in February, 2017
 - Over 360,000 new enrollees
- ▶ In 2016, Blue Shield of California was the market share leader for Covered California enrollment. The table below illustrates the Covered California plans and their respective market share as of June 2016 (most recent data available)

Health Plan	Market Share
Blue Shield of California	29.4%
Anthem Blue Cross of California	25.1%
Kaiser Permanente	23.0%
Health Net	11.8%
Other	10.8%



Covered California Enrollment – Riverside County

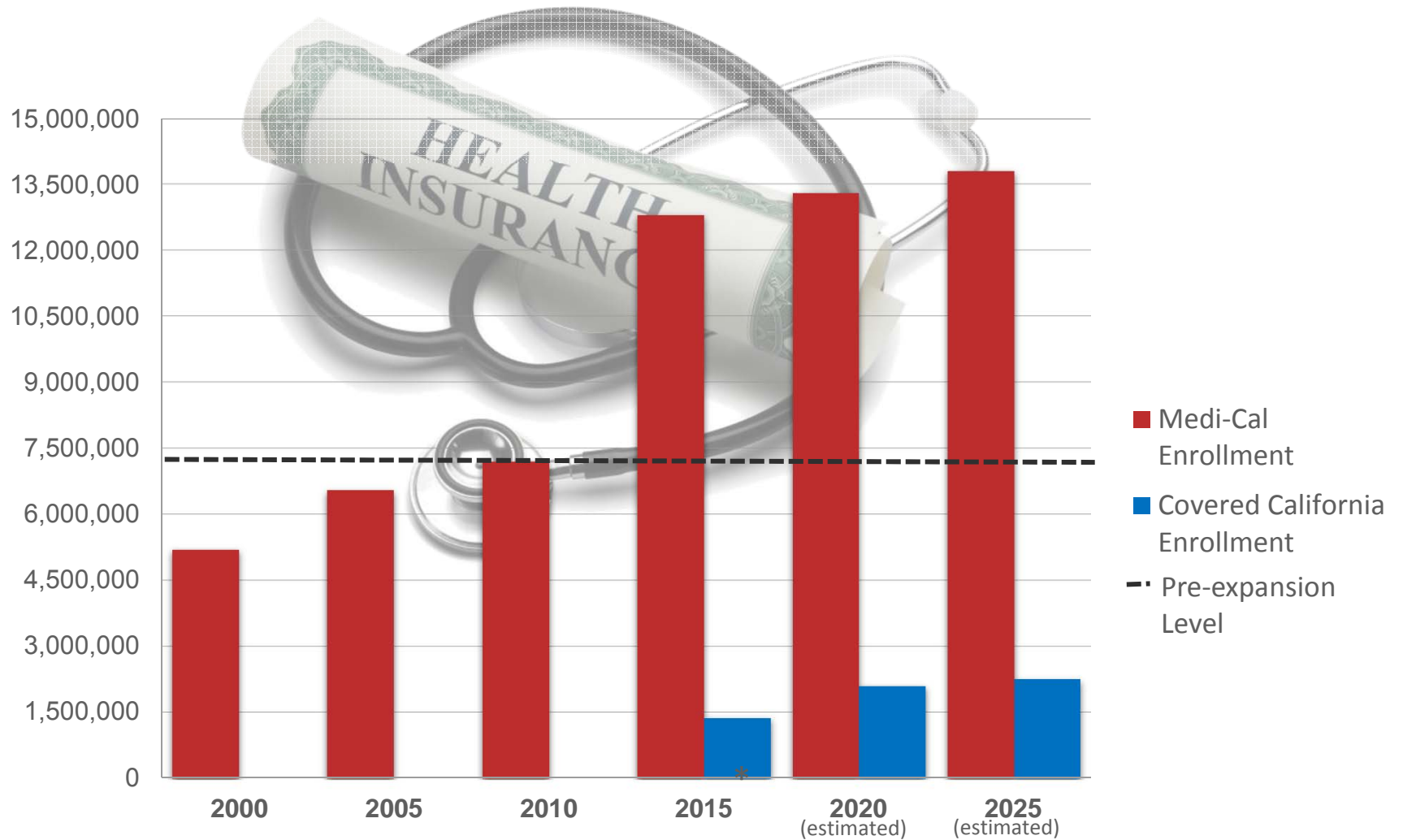
- ▶ 70,310 enrollees had active coverage in Riverside County through Covered California as of June, 2016. Of these enrollees, 71.7% were at or below 250% of the federal poverty level
- ▶ The tables below illustrate the Covered California health plans and metal tiers in Riverside County in 2016

Health Plan	Market Share
Blue Shield of California	31.0%
Molina Healthcare	20.8%
Health Net	20.0%
Kaiser Permanente	17.7%
Anthem Blue Cross of California	10.5%

Metal Tier	Market Share
Minimum Coverage	0.7%
Bronze	22.8%
Silver	66.7%
Gold	5.6%
Platinum	4.3%



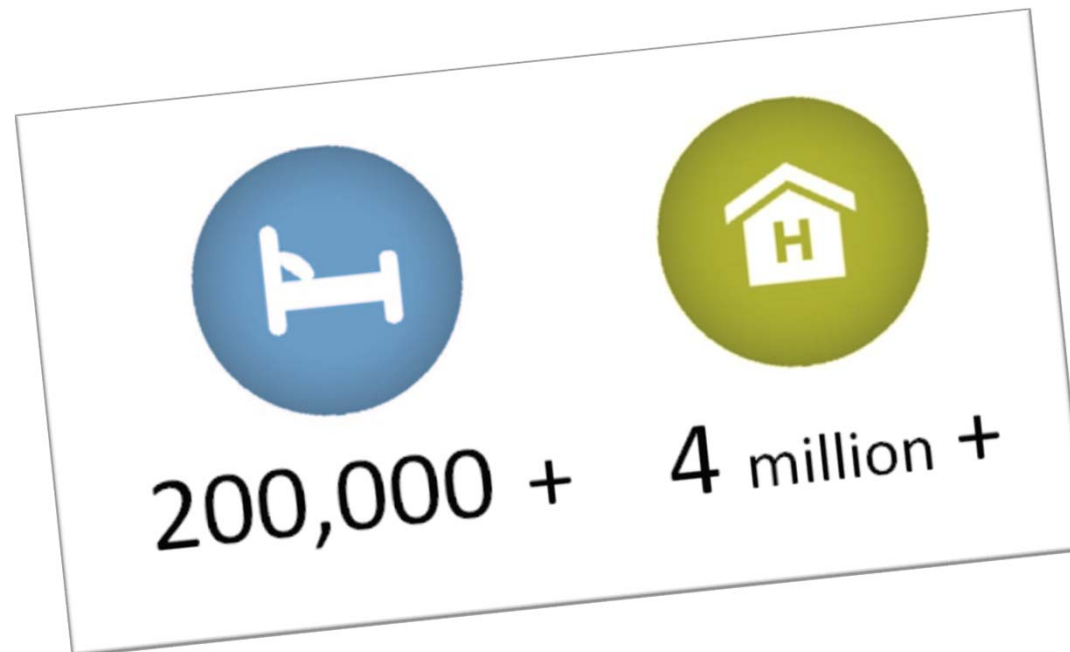
Medi-Cal and Covered California Enrollment





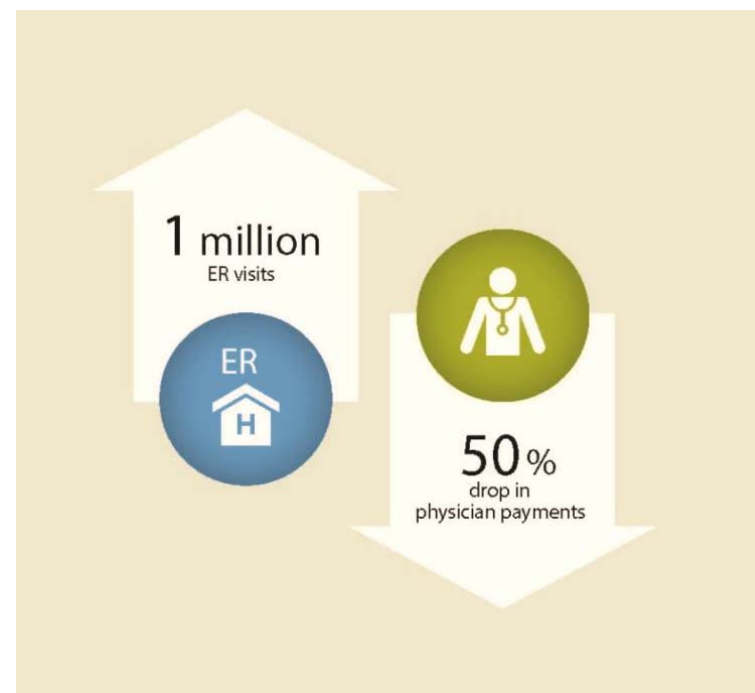
Demand for Health Services Surges

- Medi-Cal expansion is driving increased demand
- More than 200,000 additional Medi-Cal inpatients
- 4 million more Medi-Cal outpatient visits



Coverage Does Not Equal Access

- Demand for care increased Medi-Cal ED visits by 1 million
- Low payments to doctors have reduced access
- Medi-Cal patients turn to overcrowded hospital EDs



Source: CHA, C. Duane Dauner, March 18, 2016



November 8, 2016 Ballot Initiative - Passed

Medi-Cal Funding and Accountability Act *(CHA Medi-Cal Hospital Fee Protection)*

- Extends current law
- Locks in protections for hospitals and the state (24% net benefit)
- Prohibits Legislature from changing protections
- \$10 billion (2014-2016)
- \$18 billion (2009-2016)

Source: CHA, C. Duane Dauner, March 18, 2016

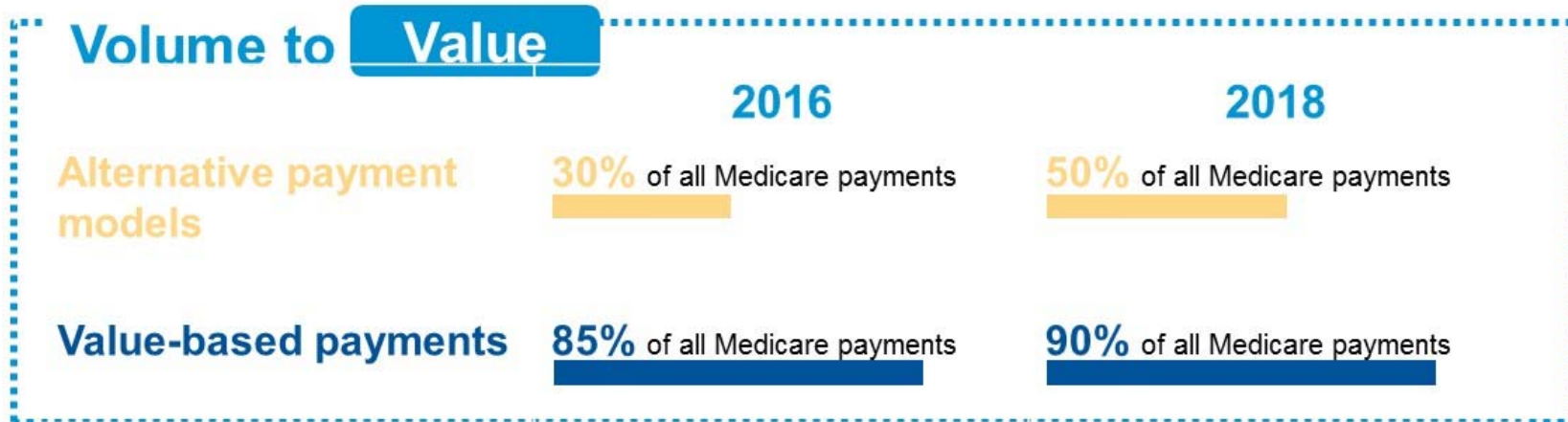


November 8, 2016 Ballot Initiative - Passed

The California Children's Education and Health Care Protection Act of 2016

- Extends the Proposition 30 income tax increase through 2030
- Funds Proposition 2, Proposition 98, state budget and Medi-Cal
- Provides up to \$2 billion for Medi-Cal
- Benefit to hospitals

HHS Goals: Aggressive Shift to Value-Based Payments – Still the Future?



Better Care. Smarter Spending. Healthier People.

Learning Action Network

- ▶ HHS, private payers, large employers, providers, consumers, and state & federal partners
- ▶ Develop common approaches to core issues
- ▶ Collaborate to generate evidence, share approaches & remove barriers
- ▶ Create implementation guides for payers and purchasers

Cost & quality Transparency

- ▶ Expand patients' access to cost and quality information to enable smarter decision-making
- ▶ Improve HIT interoperability to inform care across the continuum

Better Care. Smarter Spending. Healthier People.

Volume to **Value** Still the Future?

Track 1:

Value-based payments

2016

85% of all Medicare payments

2018

90% of all Medicare payments

Track 2:

Alternative payment models*

30% of all Medicare payments

50% of all Medicare payments

HHS Goals

Description

Incentives

- Promote value-based payment systems
 - Test new alternative payment models
 - Increase linkage of Medicaid, Medicare FFS, and other payments to value
- Bring proven payment models to scale

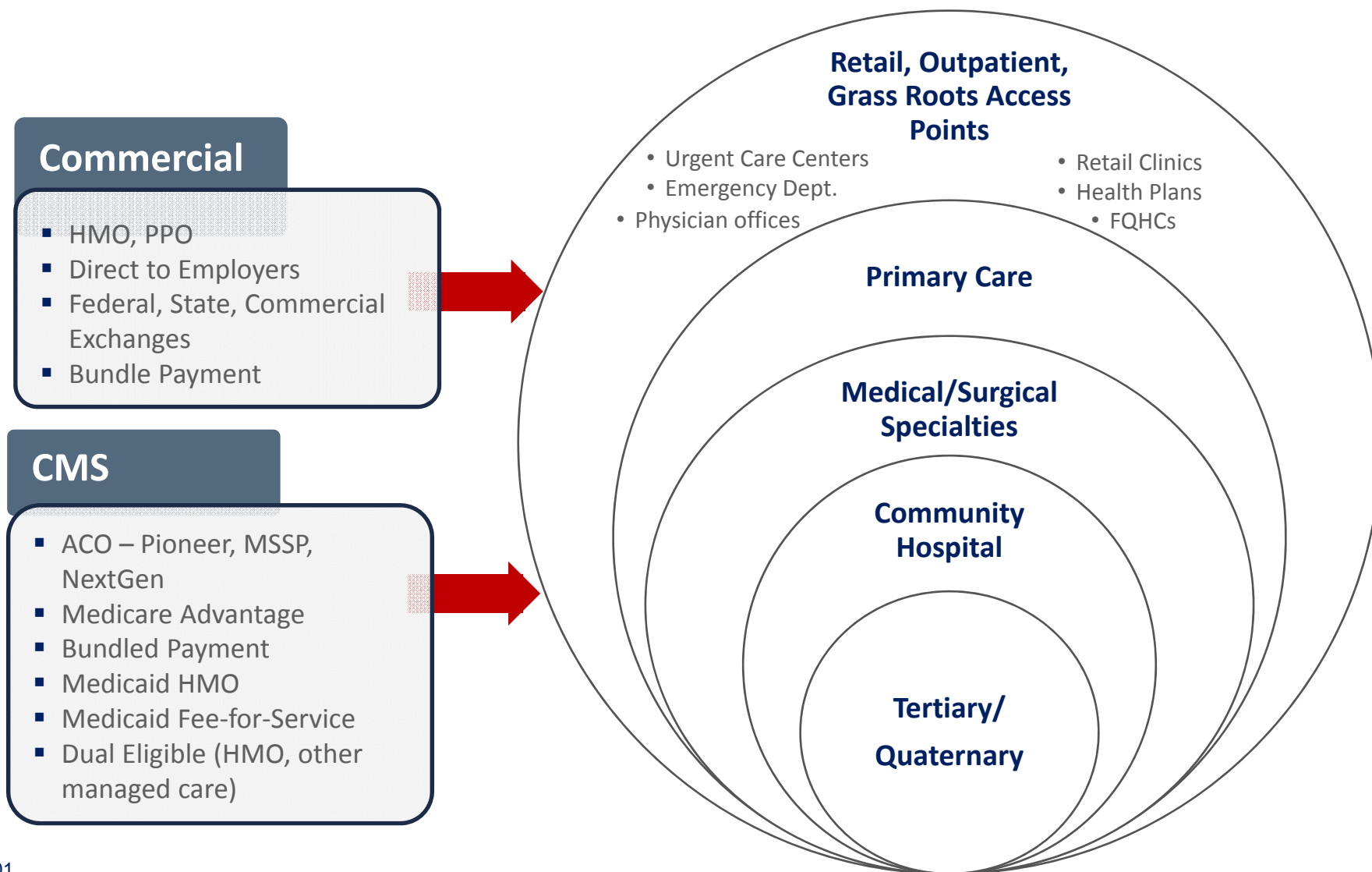
Care Delivery

- Encourage the integration and coordination of clinical care services
- Improve population health
- Promote patient engagement through shared decision making

Information

- Create transparency on cost and quality information
- Bring electronic health information to the point of care for meaningful use

Population Health Continuum and Access Points



Transparency

- ▶ Quality will be tracked more vigilantly and quality scores will be readily available to the consumer
 - Hospital Consumer Assessment of Healthcare Providers and Systems (“HCAHPS”) Measures
 - CAHPS Clinician and Group Surveys Physician Quality Reporting System Outcome Measures
 - CMS measures
 - Hospital Compare
 - Star Ratings



Stanford Hospital & Clinics has once again earned **U.S. News & World Report's National Ranking** in 10 medical specialties.



CMS: Comprehensive Primary Care Initiative (CPCI)

▶ Initiated in seven markets in 2012

- Goal: Alter volume incentives in FFS by paying the PCP a monthly management fee to coordinate care
 - Risk stratify patients
 - Offer a care management plan (multiple chronic conditions)
 - Develop plan for patient and caregiver engagement
- Health insurers signed on:
 - 38 insurers
 - 500 practices
 - 2,200 physicians
 - 2.7 million patients

Has Not Worked Yet



CMS: CPCI Expansion (5-Year Demonstration)

► Comprehensive Primary Care Plus (CPC+)

- Expansion (Target)

- 20 regions
- 5,000 practices
- 20,000 physicians
- 25 million patients
- Added incentives:
 - Quality
 - Utilization

Problems:

- State laws/regulations
- Bad experiences with earlier pilot
- Conflict with APM?
- Doctors don't share in savings, return money if targets are not achieved
- Health plans need to participate

- Pay a monthly fee for patient care management

- Track 1 – Medicare FFS and managed fee/patient (risk stratified)
- Track 2 – Reduced Medicare FFS and higher management fee (stimulates alternative delivery models, not just visits)



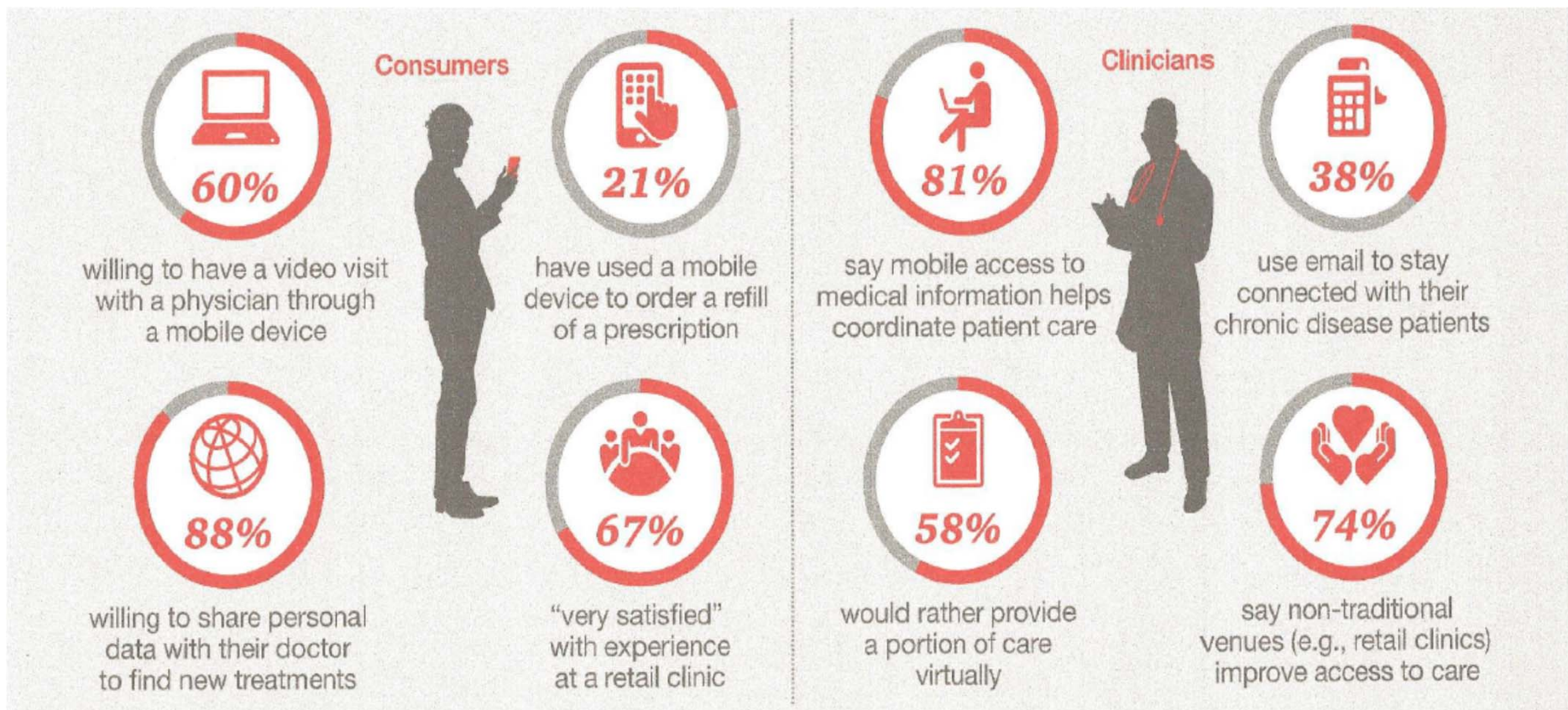
Retail Health

- ▶ Clinic walk-ins at big box retail stores is expected to increase by 30 percent per year
- ▶ Usually staffed by Nurse Practitioners other advanced practice nurses, or Physician Assistants
- ▶ Cost:
 - \$110 in a retail clinic, compared to over \$160 in a physician office, and \$570 in an Emergency Department






More Mobile, More Accessible, More Connected



HRI Consumer Survey, PwC, 2015 and HRI Clinician Workforce Survey, PwC, 2014 and 2015



Telehealth Drives Volume, Increases Quality of Care and Access, and Reduces Costs (e.g., Readmissions, Unnecessary Emergency Department Visits)

Common Examples of Telehealth in Rural Communities

- ▶ Audiology
- ▶ Behavioral Health
- ▶ Cardiology
- ▶ Chronic Care Management
- ▶ Dentistry
- ▶ Dermatology
- ▶ Emergency Care
- ▶ Gastroenterology
- ▶ Hepatology
- ▶ Home Monitoring
- ▶ Intensive Care (e-ICU)
- ▶ Long-term Care
- ▶ Obstetrics
- ▶ Ophthalmology
- ▶ Pharmacy
- ▶ Radiology
- ▶ Stroke Interventions



Case Study: Expansion of Access to Specialty Care in Rural Communities

- ▶ Project ECHO (Extension for the Community Healthcare Outcomes) was created to increase the capacity for better chronic condition management in rural New Mexico
- ▶ The ECHO model™ is designed to extend specialty care to rural patients through area providers. ECHO utilizes videoconferencing to provide the following:
 - Direct support from specialists to primary care providers (PCPs) on patient cases
 - Increased knowledge for PCPs through shared case-based learning and mentorship
 - Assistance with patient treatment plan development and monitoring
 - Opportunities to participate in research are provided, but are not mandatory
- ▶ Services offered: endocrinology, diabetes, HIV/AIDS, child and youth epilepsy, dementia, palliative care, high-risk pregnancy, chronic pain and headache management, Hepatitis C, integrated addictions and psychiatry, rheumatology, behavioral health, community health worker specialist training



Appendix C: Supplemental Inpatient
Market Share Analyses

Service Area Inpatient Market Share, CY 2014

Desert Healthcare District
Service Area Inpatient Market Share by Service Line - All Ages
Calendar Year 2014

Service Line	Service Area Mix		Percent Market Share					
	Discharges	Percent of Total Discharges	Service Area			Outmigration		Total
			Eisenhower Medical Center	Desert Regional Medical Center	John F Kennedy Memorial Hospital	Loma Linda University Medical Center	Others	
Cardiology - Diagnostic/Interventional	1,341	3.3%	47.6%	36.5%	8.2%	1.0%	6.7%	100.0%
Cardiology - Medical	3,371	8.3%	47.1%	31.7%	15.2%	1.1%	4.9%	100.0%
Cardiology - Surgery	411	1.0%	49.9%	24.3%	0.0%	6.6%	19.2%	100.0%
Chemical Dependency	194	0.5%	48.5%	23.2%	18.6%	0.0%	9.8%	100.0%
Endocrine	1,055	2.6%	37.6%	29.8%	20.2%	5.5%	6.9%	100.0%
ENT	304	0.7%	24.3%	18.4%	14.8%	22.7%	19.7%	100.0%
Gastroenterology	3,432	8.4%	45.6%	31.3%	9.8%	3.8%	9.4%	100.0%
General Medicine	3,635	8.9%	45.7%	28.5%	13.8%	2.9%	9.0%	100.0%
General Surgery	3,680	9.0%	42.0%	26.1%	19.6%	2.9%	9.3%	100.0%
Gynecology	598	1.5%	17.6%	44.3%	12.4%	7.9%	17.9%	100.0%
Neonatal Intensive Care	1,573	3.9%	0.3%	63.3%	30.1%	3.4%	3.1%	100.0%
Neurology	2,229	5.5%	46.1%	33.8%	8.4%	4.3%	7.4%	100.0%
Neurosurgery	382	0.9%	36.1%	28.5%	0.8%	9.2%	25.4%	100.0%
Obstetrics & Deliveries	5,770	14.2%	0.4%	54.0%	42.8%	0.4%	2.3%	100.0%
Oncology	1,465	3.6%	43.1%	22.3%	6.6%	11.3%	16.7%	100.0%
Ophthalmology	65	0.2%	26.2%	32.3%	4.6%	21.5%	15.4%	100.0%
Orthopedics	4,038	9.9%	44.3%	25.3%	15.7%	3.4%	11.3%	100.0%
Other/NC	48	0.1%	47.9%	12.5%	0.0%	2.1%	37.5%	100.0%
Plastic Surgery	243	0.6%	35.0%	17.7%	30.0%	5.3%	11.9%	100.0%
Psychiatry	141	0.3%	48.2%	23.4%	8.5%	8.5%	11.3%	100.0%
Pulmonary Medicine	3,233	7.9%	36.6%	29.6%	24.2%	2.8%	6.8%	100.0%
Rehabilitation	2	0.0%	50.0%	0.0%	0.0%	0.0%	50.0%	100.0%
Spine Surgery	619	1.5%	52.8%	12.4%	0.0%	4.5%	30.2%	100.0%
Thoracic & Vascular Surgery	807	2.0%	46.8%	32.3%	8.9%	3.3%	8.6%	100.0%
Transplant	39	0.1%	0.0%	0.0%	0.0%	35.9%	64.1%	100.0%
Urology	2,040	5.0%	49.8%	25.4%	10.4%	3.6%	10.7%	100.0%
Total	40,715	100.0%	35.8%	33.5%	18.6%	3.4%	8.7%	100.0%

Source: California Office of Statewide Health Planning and Development Inpatient Database, 2014. Includes acute care across all ages; excludes normal newborns.

https://share.premierinc.com/sites/pcs/ICD/Folder/West_Coast_Advisory_Services/Clients/Desert_Healthcare_District/Needs_Assessment/Analysis/Coachella_OSPHD_Tables.xlsx Table 2C

Service Area Inpatient Market Share, CY 2013

Desert Healthcare District
Service Area Inpatient Market Share by Service Line
Calendar Year 2013

Service Line	Service Area Mix		Percent Market Share					
	Discharges	Percent of Total Discharges	Eisenhower Medical Center	Desert Regional Medical Center	John F Kennedy Memorial Hospital	Loma Linda University Medical Center	Others	Total
Cardiology - Diag/Intervention	1,434	3.5%	52.4%	34.2%	7.7%	1.1%	4.5%	100.0%
Cardiology - Medical	3,571	8.8%	46.5%	31.9%	14.7%	1.0%	5.9%	100.0%
Cardiology - Surgery	369	0.9%	52.6%	26.0%	0.0%	5.1%	16.3%	100.0%
Chemical Dependency	165	0.4%	35.8%	41.2%	12.7%	0.0%	10.3%	100.0%
Endocrine	1,040	2.6%	38.0%	25.9%	22.5%	5.7%	8.0%	100.0%
ENT	294	0.7%	29.6%	16.3%	12.6%	29.9%	11.6%	100.0%
Gastroenterology	3,479	8.6%	45.7%	28.0%	13.5%	3.2%	9.6%	100.0%
General Medicine	3,384	8.3%	47.4%	25.3%	14.3%	2.8%	10.2%	100.0%
General Surgery	3,606	8.9%	42.9%	24.7%	21.4%	2.9%	8.1%	100.0%
Gynecology	674	1.7%	18.7%	42.1%	13.9%	7.9%	17.4%	100.0%
Neonatal Intensive Care	1,506	3.7%	0.1%	60.2%	33.9%	3.5%	2.3%	100.0%
Neurology	2,199	5.4%	47.6%	33.9%	7.1%	4.3%	7.1%	100.0%
Neurosurgery	451	1.1%	38.4%	23.9%	0.7%	10.2%	26.8%	100.0%
Obstetrics & Deliveries	5,721	14.1%	0.6%	52.7%	44.1%	0.6%	1.9%	100.0%
Oncology	1,495	3.7%	47.7%	16.9%	7.2%	9.1%	19.1%	100.0%
Ophthalmology	68	0.2%	23.5%	23.5%	13.2%	13.2%	26.5%	100.0%
Orthopedics	3,859	9.5%	40.9%	25.8%	19.8%	3.3%	10.2%	100.0%
Plastic Surgery	282	0.7%	37.2%	19.1%	23.8%	4.6%	15.2%	100.0%
Psychiatry	124	0.3%	46.8%	27.4%	8.1%	4.8%	12.9%	100.0%
Pulmonary Medicine	3,518	8.7%	39.7%	28.5%	23.5%	2.3%	6.0%	100.0%
Rehabilitation	2	0.0%	0.0%	50.0%	0.0%	50.0%	0.0%	100.0%
Spine Surgery	548	1.3%	50.2%	9.5%	0.0%	5.8%	34.5%	100.0%
Thoracic & Vascular Surgery	820	2.0%	49.5%	32.3%	7.6%	2.7%	7.9%	100.0%
Transplant	33	0.1%	0.0%	0.0%	0.0%	39.4%	60.6%	100.0%
Urology	1,954	4.8%	51.2%	24.2%	10.6%	3.6%	10.4%	100.0%
Total	40,596	100.0%	36.5%	32.1%	19.7%	3.3%	8.4%	100.0%

Source: California Office of Statewide Health Planning and Development Inpatient Database, 2013. Acute care, excludes normal newborns.

https://share.premierinc.com/sites/pcs/CDFolder/West_Coast_Advisory_Services/Clients/Desert_Healthcare_District/Needs_Assessment/Analysis/Coachella_OSHPD_Tables.xlsx]Table 2B

Service Area Inpatient Market Share, CY 2012

Desert Healthcare District
Service Area Inpatient Market Share by Service Line
Calendar Year 2012

Service Line	Service Area Mix		Percent Market Share					
	Discharges	Percent of Total Discharges	Eisenhower Medical Center	Desert Regional Medical Center	John F Kennedy Memorial Hospital	Loma Linda University Medical Center	Others	Total
Cardiology - Diag/Intervention	1,612	3.8%	49.4%	33.4%	9.7%	1.3%	6.2%	100.0%
Cardiology - Medical	3,942	9.3%	50.1%	29.0%	14.5%	0.7%	5.7%	100.0%
Cardiology - Surgery	411	1.0%	46.2%	24.8%	0.0%	10.5%	18.5%	100.0%
Chemical Dependency	142	0.3%	34.5%	30.3%	21.1%	1.4%	12.7%	100.0%
Endocrine	1,191	2.8%	43.5%	23.4%	21.3%	5.1%	6.6%	100.0%
ENT	328	0.8%	29.0%	17.4%	15.9%	24.7%	13.1%	100.0%
Gastroenterology	3,709	8.8%	44.3%	27.4%	14.4%	3.2%	10.7%	100.0%
General Medicine	3,497	8.3%	42.0%	28.0%	16.4%	3.3%	10.4%	100.0%
General Surgery	3,606	8.5%	41.8%	27.0%	18.8%	3.2%	9.2%	100.0%
Gynecology	744	1.8%	20.4%	48.3%	10.8%	7.0%	13.6%	100.0%
Neonatal Intensive Care	1,660	3.9%	0.3%	58.6%	35.4%	2.7%	3.0%	100.0%
Neurology	2,389	5.7%	46.8%	32.1%	10.1%	4.0%	7.0%	100.0%
Neurosurgery	462	1.1%	38.5%	26.0%	1.1%	9.3%	25.1%	100.0%
Obstetrics & Deliveries	6,058	14.4%	0.4%	52.6%	44.5%	0.5%	2.0%	100.0%
Oncology	1,542	3.7%	46.1%	19.3%	6.4%	10.1%	18.2%	100.0%
Ophthalmology	78	0.2%	37.2%	28.2%	6.4%	6.4%	21.8%	100.0%
Orthopedics	3,819	9.0%	41.6%	24.5%	19.2%	3.4%	11.3%	100.0%
Plastic Surgery	271	0.6%	33.6%	24.4%	23.6%	8.9%	9.6%	100.0%
Psychiatry	149	0.4%	36.9%	28.9%	16.8%	4.7%	12.8%	100.0%
Pulmonary Medicine	3,311	7.8%	36.4%	28.1%	25.4%	2.3%	7.8%	100.0%
Rehabilitation	2	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	100.0%
Spine Surgery	544	1.3%	55.3%	8.3%	0.2%	4.8%	31.4%	100.0%
Thoracic & Vascular Surgery	810	1.9%	52.2%	25.8%	8.6%	3.3%	10.0%	100.0%
Transplant	33	0.1%	0.0%	0.0%	0.0%	42.4%	57.6%	100.0%
Urology	1,890	4.5%	48.7%	23.2%	12.5%	3.8%	11.9%	100.0%
Total	42,200	100.0%	35.7%	32.1%	20.2%	3.3%	8.8%	100.0%

Source: California Office of Statewide Health Planning and Development Inpatient Database, 2012. Acute care, excludes normal newborns.

[https://share.premierinc.com/sites/pcs/ICD/Folder/West_Coast_Advisory_Services/Clients/Desert_Healthcare_DistrictNeeds_Assessment/Analysis/\[Coachella OSHPD Tables.xlsx\]Table 2A](https://share.premierinc.com/sites/pcs/ICD/Folder/West_Coast_Advisory_Services/Clients/Desert_Healthcare_DistrictNeeds_Assessment/Analysis/[Coachella%20OSHPD%20Tables.xlsx]Table%20A)

Service Area Inpatient Market Share by Payer, CY 2014

Desert Healthcare District Service Area Inpatient Market Share by Payer Calendar Year 2014

Hospital	Medicare		Medi-Cal		Private		Other	Total
	HMO	FFS	HMO	FFS	HMO	PPO		
Eisenhower Medical Center	33.2%	59.9%	22.5%	12.4%	24.6%	47.2%	29.8%	35.8%
Desert Regional Medical Center	53.1%	19.1%	37.2%	35.3%	41.1%	26.3%	40.2%	33.5%
John F Kennedy Memorial Hospital	4.7%	10.1%	32.1%	36.1%	17.8%	15.3%	13.0%	18.6%
Loma Linda University Medical Center	2.2%	1.1%	4.4%	7.8%	3.2%	3.2%	2.9%	3.4%
Riverside County Regional Medical Center	0.0%	0.2%	0.8%	3.6%	2.7%	0.2%	2.4%	1.2%
Cedars Sinai Medical Center	0.0%	1.4%	0.1%	0.1%	0.2%	0.5%	0.3%	0.5%
City of Hope Helford Clinical Research Hospital	0.0%	0.7%	0.0%	0.5%	0.2%	0.7%	0.5%	0.4%
Ronald Reagan UCLA Medical Center	0.1%	0.7%	0.0%	0.2%	0.2%	1.1%	0.5%	0.4%
Keck Hospital of USC	0.5%	0.7%	0.0%	0.0%	0.3%	0.7%	0.2%	0.4%
Kaiser Foundation Hospital - Riverside	1.1%	0.0%	0.0%	0.0%	1.2%	0.1%	0.1%	0.3%
University of California San Diego Medical Center	0.1%	0.5%	0.3%	0.2%	0.0%	0.3%	0.2%	0.3%
University of California Irvine Medical Center	0.2%	0.4%	0.3%	0.1%	0.3%	0.1%	0.3%	0.3%
Kaiser Foundation Hospital - Fontana	0.6%	0.0%	0.0%	0.0%	1.5%	0.0%	0.1%	0.2%
Others	4.3%	5.4%	2.3%	3.6%	6.6%	4.5%	9.4%	4.7%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
N =	5,291	10,943	6,932	6,163	4,008	4,438	2,940	40,715
Payer Mix =	13.0%	26.9%	17.0%	15.1%	9.8%	10.9%	7.2%	100.0%

Source: California Office of Statewide Health Planning and Development Inpatient Database, 2014. Acute care, excludes normal newborns.

[https://share.premierinc.com/sites/pcs/ICD/Folder/West_Coast_Advisory_Services/Clients/Desert_Healthcare_District/Needs_Assessment/Analysis/\[Coachella OSHPD Tables.xlsx\]Table 3C](https://share.premierinc.com/sites/pcs/ICD/Folder/West_Coast_Advisory_Services/Clients/Desert_Healthcare_District/Needs_Assessment/Analysis/[Coachella OSHPD Tables.xlsx]Table 3C)

Service Area Inpatient Market Share by Payer, CY 2013

Desert Healthcare District Service Area Inpatient Market Share by Payer Calendar Year 2013

Hospital	Medicare		Medi-Cal		Private		Other	Total
	HMO	FFS	HMO	FFS	HMO	PPO		
Eisenhower Medical Center	36.8%	61.8%	17.7%	8.7%	26.1%	43.5%	25.2%	36.5%
Desert Regional Medical Center	50.0%	18.3%	36.4%	34.8%	39.8%	27.9%	37.3%	32.1%
John F Kennedy Memorial Hospital	4.7%	11.1%	37.8%	39.9%	21.0%	17.5%	15.6%	19.7%
Loma Linda University Medical Center	1.7%	1.0%	3.9%	9.1%	2.5%	3.2%	3.7%	3.3%
Riverside County Regional Medical Center	0.0%	0.1%	1.8%	3.4%	1.5%	0.3%	8.4%	1.7%
Cedars Sinai Medical Center	0.3%	0.9%	0.1%	0.1%	0.1%	0.7%	0.3%	0.4%
City of Hope Helford Clinical Research Hospital	0.0%	0.5%	0.0%	0.6%	0.1%	1.0%	0.1%	0.4%
Ronald Reagan UCLA Medical Center	0.1%	0.5%	0.1%	0.1%	0.1%	0.7%	0.3%	0.3%
Kaiser Foundation Hospital - Riverside	1.0%	0.0%	0.0%	0.0%	1.3%	0.0%	0.1%	0.3%
University of California Irvine Medical Center	0.3%	0.3%	0.3%	0.1%	0.2%	0.2%	0.2%	0.2%
Keck Hospital of USC	0.3%	0.4%	0.0%	0.0%	0.1%	0.3%	0.0%	0.2%
University of California San Diego Medical Center	0.1%	0.3%	0.1%	0.2%	0.0%	0.3%	0.1%	0.2%
Kaiser Foundation Hospital - Fontana	0.4%	0.0%	0.0%	0.0%	0.9%	0.0%	0.0%	0.2%
Providence Saint John's Health Center	0.0%	0.3%	0.0%	0.0%	0.0%	0.4%	0.1%	0.1%
Others	4.2%	4.7%	1.7%	3.0%	6.3%	4.0%	8.7%	4.5%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
N =	5,453	12,110	5,073	5,691	3,989	4,428	3,852	40,596
Payer Mix =	13.4%	29.8%	12.5%	14.0%	9.8%	10.9%	9.5%	100.0%

Source: California Office of Statewide Health Planning and Development Inpatient Database, 2013. Acute care, excludes normal newborns.

https://share.premierinc.com/sites/pcs/ICD/Folder/West_Coast_Advisory_Services/Clients/Desert_Healthcare_District/Needs_Assessment/Analysis/Coachella_OSHPD_Tables.xlsx Table 3B

Service Area Inpatient Market Share by Payer, CY 2012

Desert Healthcare District Service Area Inpatient Market Share by Payer Calendar Year 2012

Hospital	Medicare		Medi-Cal		Private		Other	Total
	HMO	FFS	HMO	FFS	HMO	PPO		
Eisenhower Medical Center	37.8%	59.7%	18.2%	8.1%	22.8%	40.8%	22.8%	35.7%
Desert Regional Medical Center	50.3%	18.5%	38.5%	35.7%	40.6%	29.9%	35.3%	32.1%
John F Kennedy Memorial Hospital	4.5%	12.5%	37.4%	40.2%	21.8%	18.2%	13.8%	20.2%
Loma Linda University Medical Center	1.8%	1.2%	3.7%	9.4%	2.8%	3.2%	2.8%	3.3%
Riverside County Regional Medical Center	0.0%	0.2%	0.0%	2.9%	2.2%	0.5%	14.0%	2.0%
Cedars Sinai Medical Center	0.2%	0.9%	0.0%	0.1%	0.1%	0.7%	0.3%	0.4%
City of Hope Helford Clinical Research Hospital	0.0%	0.7%	0.0%	0.3%	0.1%	0.7%	0.1%	0.4%
Ronald Reagan UCLA Medical Center	0.0%	0.5%	0.0%	0.2%	0.1%	0.8%	0.4%	0.3%
Keck Hospital of USC	0.1%	0.4%	0.0%	0.2%	0.3%	0.5%	0.1%	0.3%
University of California Irvine Medical Center	0.3%	0.3%	0.4%	0.1%	0.3%	0.2%	0.1%	0.3%
Kaiser Foundation Hospital - Riverside	0.6%	0.0%	0.0%	0.0%	1.5%	0.0%	0.0%	0.2%
University of California San Diego Medical Center	0.0%	0.2%	0.1%	0.2%	0.0%	0.4%	0.2%	0.2%
Kindred Hospital Riverside	0.0%	0.4%	0.0%	0.1%	0.0%	0.0%	0.6%	0.2%
Pioneers Memorial Healthcare District	0.1%	0.1%	0.1%	0.3%	0.0%	0.1%	0.4%	0.2%
Others	4.3%	4.2%	1.7%	2.3%	7.3%	3.8%	9.1%	4.3%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
N =	4,832	13,203	5,003	5,994	4,169	5,154	3,845	42,200
Payer Mix =	11.5%	31.3%	11.9%	14.2%	9.9%	12.2%	9.1%	100.0%

Source: California Office of Statewide Health Planning and Development Inpatient Database, 2012. Acute care, excludes normal newborns.

https://share.premierinc.com/sites/pcs/ICD/Folder/West_Coast_Advisory_Services/Clients/Desert_Healthcare_District/Needs_Assessment/Analysis/Coachella_OSHPD_Tables.xlsx Table 3A