



A LETTER TO RESIDENTS



Dear District Residents,

When the fiscal year began on July 1, 2024, our Board of Directors and staff were in the midst of what would become a yearlong public education campaign on the future of healthcare in the Coachella Valley. At the center of our efforts was a proposal from Tenet Healthcare to renew its lease of Desert Regional Medical Center, the hospital which the Healthcare District built and opened in Palm Springs in 1951.

Tenet had operated and managed the hospital since 1997, and its current 30-year lease was nearing an end. Their new proposal would extend the agreement another 30 years starting in 2027, with the caveat that hospital ownership would transfer to Tenet in 2057.

As you might imagine, our Board had a hugely significant decision to make, one that would reverberate for decades in our desert communities.

Measure AA

Tenet's proposal was shared with the public through print and broadcast media, social media, and 11 community forums. Our objective was to engage with you, the residents and stakeholders — to answer your questions and seek your invaluable input. Ultimately, you would make the final decision during the November 2024 election, and that you did.

After many months of negotiations with Tenet, conversations, and public meetings, the Board approved placing the multimillion-dollar, lease-purchase agreement on the ballot as Measure AA. It was approved by more than 70 percent of valley voters.

Since that momentous day, District leaders and staff have been implementing next steps. In 2026, our current strategic plan ends — just a year before the original lease expires. A good strategic plan serves as a roadmap or guide defining the health- and wellness-focused programs we will fund and support. With an estimated \$650 million expected from Tenet over the new lease period, it was imperative for the District to reconsider priorities as it began developing a new strategic plan.

Revisiting the Strategic Plan

By the end of the fiscal year on June 30, 2025, the process of identifying a strategic planning

consultant was underway. It's an exciting time for the Healthcare District as we explore the possibilities of how to strengthen the vital healthcare infrastructure that serves residents where they are today and well into the future.

Preparing for a new era is important work that calls for collaboration, which is an essential component of our approach to advancing community wellness. It's what the District has done for years through great partnerships with nonprofit organizations, community leaders, and the more than 400,000 residents who entrust their health to Coachella Valley providers, institutions, and public agencies. We welcome you to attend and participate in future community sessions to help develop our new strategic plan.

Other Highlights

- ▶ Launched the Healthy Desert, Healthy You Environmental Health Summit in September 2024. The two-day summit was attended by more than 300 people. Following its success, planning began for a second environmental health summit in fall 2025.
- ▶ An extension of the inaugural environmental health summit was the debut of the Healthy Desert, Healthy You Podcast to engage stakeholders in conversations about a host of health and wellness topics.
- ▶ Continuing growth of our mobile medical clinic program. Our clinic operator, DPMG Health, and staff identified the need to coordinate and offer women's health services, including mammograms and pap smears, in partnership with The Pink Journey Foundation and other organizations.

You will learn in this annual report more about these services, as well as our commitment to increase and support mental health programs and to reverse a pernicious shortage of physicians and healthcare professionals in the valley. Our hope is that this report conveys that the District stands ready as a thought leader and partner to help ensure that Coachella Valley residents, including the most vulnerable, continue to access local, quality healthcare services and a rewarding quality of life.

Thank you for your support.

CEO Chris Christensen, CPA
Board President Carole Rogers, RN, MPH