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Bipartisan Support for Bill to Create a Central Coast Public Hospital Authority

(SACRAMENTO)— Assemblymember Luis Alejo’s (D-Salinas) AB 276 to create the Central Coast Public Hospital Authority within Monterey County passed off the Assembly Floor with overwhelming bipartisan support 75-3.

Unlike Natividad Medical Center which is currently a Department within the County and is thus subject to all the rules, regulation, policies and oversight inherent in being within a County governmental structure, this new Authority will be a public entity separate and apart from the County and any other health system within the County. An independent Hospital Authority can function with increased flexibility, responsiveness, and innovation allowing the Salinas Valley region to meet the challenges of healthcare reform while fulfilling the County’s commitment to all residents including low income, medically indigent, and special needs populations.

“In light of the Affordable Care Act being upheld by the U.S Supreme Court, it is clear that hospitals in our community must strive for a better governance structure to become more competitive while continuing to provide quality healthcare to our local families and businesses,” said Alejo. “We need to find viable solutions to maintain the hospital’s mission of improving the health of the people in Monterey County through access to affordable, high quality health care services.”

The purpose of the Authority will be to:

- Provide management, administration and other controls for Natividad Medical Center (NMC) to continue to serve as a designated public safety net hospital and ensure the viability of the health care safety net in Monterey County.
- Provide management, administration and other controls for the continued operation of one or more other healthcare facilities that may be affiliated or consolidated with

NMC. The Authority will have an appointed local, skill-based Board of Trustees fully empowered to independently run the Authority.

The Monterey County Board of Supervisors, the Natividad Medical Center Board of Directors, the Service Employees International Union, the California Nurses Association, and the Monterey County Registered Nurses' Association, the Central California Alliance for Health support the purpose of the bill. They agree that the needs of the citizens of the County will be best served if Natividad Medical Center, while continuing as a designated public safety net hospital and maintaining its mission, is affiliated or consolidated with one or more healthcare facilities in Monterey County and operated by a separate and distinct Central Coast Public Hospital Authority separate and apart from the County.

“Quality healthcare delivery remains a dynamic situation, especially in light of ever increasing costs and the on-going Affordable Care Act debate. We look forward to exploring all options to assure continued superior healthcare delivery in Monterey County for all residents. This legislation gives another tool to succeed in our mission,” says Supervisor Dave Potter, Chair of the Monterey County Board of Supervisors.

“The passage of AB 276 helps preserve access to safety net health care services for Monterey County families,” comments Debbie Narvaez, Local 521 Regional Director. “This is a bold step in the right direction for Natividad Medical Center, health care workers, and our community. As we move forward with the Affordable Care Act, SEIU 521 members stand ready to ensure our public hospital continues to deliver quality services for all.”

“The formation of the Authority is the best long-term strategic and operational model for the sustainability of Natividad Medical Center (NMC) and any future affiliation partners,” said Harry Weis, Natividad Medical Center CEO. “I believe this policy action will be recorded in the NMC history as one of the top 3 most important policy actions taken regarding NMC in its 126 year history.”

The bill has been sent to enrolling and engrossing, where it will then be sent to the Governor for signature consideration.

Luis Alejo represents the 28th District in the California State Assembly, which consists of San Benito County, the Salinas Valley, North Monterey County, South Santa Clara County and the city of Watsonville.

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