

Washington Township Health Care District

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December 16, 2019

Carl Scheuerman, Compliance Officer Seismic Compliance Unit Facility Development Division Office of Statewide Health Planning and Development 2020 West El Camino Avenue, Suite 800 Sacramento, CA 95833

Dear Mr. Scheuerman:

In response to your letter dated December 2, 2019, The Board of Directors of Washington Hospital Healthcare System (WHHS) do attest that we are aware of the January 1, 2030 deadline for California Hospital Facilities to become compliant with the Hospital Facilities Seismic Safety Act as outlined in the State Health and Safety Code, Division 107. Part 7. Chapter 1. WHHS has several buildings on its campus that are rated SPC-2 and NPC-3.

The Board of Directors acknowledges that the State Office of Health Planning and Development is enforcing compliance with legislation (i.e. SB1953) that was enacted by the California Legislature as an unfunded mandate. The State of California has not provided healthcare institutions access to appropriate money or affordable financing in order for them to comply with this legislation. The State has therefore committed all California hospitals to significant financial investment in buildings and structures and exposed all California hospitals to financial risk.

The Board of Directors is in support of Senate Bill 758, in its current form, which is being considered by the California Legislature. This legislation potentially reduces the degree of retrofit or new building construction that would be required to be compliant with the Hospital Seismic Safety Act. The cost associated with the reduced scope of work is more reasonable and is more likely to be within the current capabilities of the WHHS.

Notwithstanding the aforementioned, WHHS has made good faith efforts to become compliant with the current Hospital Facilities Seismic Safety Act. WHHS has demolished all SPC-1 buildings on its campus. WHHS has completed new construction at a cost of close to \$500 Million. In December 2011, WHHS brought a new Central Utility Plant on-line. In June 2012, WHHS brought a new inpatient facility, The Center for Joint Replacement, on-line. In November 2018, WHHS brought the Morris Hyman Critical Care Pavilion on-line. All told, 156 general acute care beds are currently in SPC-5, NPC-4 buildings.

Sincerely,

Michael Wallace

Michael J. Wallace President, Board of Directors