



Mark Twain Health Care District

Executive Summary Report Financial, Operating and Strategic Assessment *Quorum Health Resources Draft Report Update 2/22/17*

Overview

The Mark Twain Health Care District's 30-year lease with Mark Twain Medical Center (MTMC) will end 12/31/2019 necessitating a new lease with the Mark Twain Corporation or enter into another arrangement to maintain hospital operations in San Andreas. The District Board entered into a contract with Quorum Health Resources, a consulting firm that specializes in analyzing various options that healthcare entities may take.

Quorum's engagement process included Key Stakeholder Interviews, Competitor Discussions, and Data Analysis. The goal was to gain insight into the Calaveras County health care environment, discuss potential opportunities for new market entrants into the County, and to analyze data to understand the unique dynamics of this County's environment. The goal of this report is to provide the District with adequate and sufficient information that will guide the Board in deciding the future of the hospital's operations.

Quorum offered the following options:

Option 1 – While operating MTMC as an independent hospital ensures the District (and the community) the highest level of control and autonomy, it is the highest cost option, and should be considered the highest risk.

Option 2 – While operating MTMC as an independent hospital ensures the District the highest level of control and autonomy, continuing with Dignity with negotiated rights for the District should be considered.

Option 3 – Lease control of the hospital to Dignity and “pull-out” certain assets such as the rural health clinics and medical office buildings to remain under control of the District.

Option 4 – Other organizations might be interested in purchasing or leasing the Hospital and this option should be explored

The Quorum Draft report is currently being reviewed by the District Board's Ad Hoc Lease Committee and Legal Counsel. After such committee review, the report will be shared with the District Board.

Mark Twain HealthCare District Mission Statement

“Through community collaboration, we serve as the stewards of a community health system that ensures our residents have the dignity of access to care that provides high quality, professional and compassionate health care”.