

MODOC MEDICAL CENTER MEDIA RELEASE

FOR IMMEDIATE RELEASE

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MOUNTAIN VIEW SKILLED NURSING FACILITY

ALTURAS, CA. -- Construction has begun on Modoc Medical Center's highly anticipated Mountain View Skilled Nursing facility and hospital addition.

The countdown for the hospital addition and skilled nursing facility project began when Modoc Medical Center inaugurated its new hospital in 2020. Per the Centers for Medicare and Medicaid Services (CMS) guidelines, MMC's skilled nursing facility must be within 250 yards of the hospital to maintain its licensure as a distinct part skilled nursing facility and to retain its reimbursement rate. Given the vital role of the reimbursement in MMC's long-term financial sustainability, leadership worked alongside CMS to negotiate a five-year extension to comply with regulatory distance requirements for the skilled nursing facility. Failure to meet this deadline would have devastated MMC's operations, resulting in a loss of MMC's reimbursement rate, equating to over \$1.5 million in annual reimbursement from Medicare and Managed MediCal plans.

Construction of the new 50-bed skilled nursing facility will focus on patient-centered care and promote residents' connection to nature, family members, and other residents. The comprehensive design of the new facility was formed around the primary goal of making the facility feel more like a home and less like an institution. Situated around a centric outdoor courtyard, the facility hosts several patios to incentivize outdoor gathering and enjoyment. Indoor amenities include spacious living areas, an onsite physical therapy center, and abundant space devoted to activity and interaction. "We've been in this process since 2021. There has been tremendous



thought put into the final design," says MMC CEO Kevin Kramer. "It's intended to keep residents connected to the outdoors, each other, and their families. This facility is our residents' home, and we intend for them to feel at home in every aspect of their care." By fostering a sense of community and encouraging social interaction, the facility will empower residents to lead fulfilling lives, host visitors, and engage in various indoor and outdoor activities. From catering to their emotional and physical needs to nurturing their spiritual health, the facility will provide holistic care in a welcoming environment.

The new skilled nursing facility will also provide space to invest continuously in workforce training and satisfaction. Multiple conference rooms and training facilities are incorporated into the design to prioritize employee education and to equip staff to deliver industry-leading care. The facility will also feature state-of-the-art laundry facilities and a redesigned industrial kitchen to provide MMC staff with revolutionary technology and abundant resources to operate at their highest potential. These upgrades will bolster the recruitment and retention of healthcare workers, furthering MMC's commitment to enhancing the healthcare resources available to members of this community. Collectively, Mountain View embodies Modoc Medical Center's vision of care that goes beyond medical treatment, nurturing a vibrant and active community centered around the well-being of its residents and patients.

The forthcoming hospital addition, coinciding with the construction of Mountain View, also represents a crucial step forward in bolstering healthcare services within our rural community.



With the addition of two semi-private inpatient rooms totaling four new beds for inpatient care,

MMC is expanding its capacity to meet the growing healthcare needs of Modoc County residents.

MMC will also introduce a four-bay infusion department to deliver comprehensive and specialized care locally. At a time when rural hospitals across the nation are facing closures and service reductions, these added facilities are indispensable in ensuring that Modoc County residents have access to high-quality healthcare close to home.

This expansion comes despite mounting operational challenges in rural healthcare, highlighted by a statewide study published by the California Hospital Association. The study reveals a 16% rise in rural hospitals operating at a deficit since 2019. While rural hospitals continue to shutter services or close altogether, MMC has not only weathered the storm but has flourished, consistently increasing its reserves annually. For instance, MMC's investments soared to \$34 million by the fiscal year end of 2023, up from \$16.8 million in 2018, a feat made possible by the community's steadfast support. As CEO Kevin Kramer emphasizes, "None of this is possible without our community's support in the form of the District tax."

The formation of the Last Frontier Healthcare District in 2010, coupled with the community's unwavering commitment to investing in MMC, has paved the way for transformative projects like the current hospital expansion and skilled nursing facility. Supported by a \$2.5 million annual tax assessment approved by District voters, MMC has secured USDA loans for the expansion while maintaining healthy operating margins. Kramer further underscores the significance of community



support, stating, "Our success is their success," reiterating MMC's dedication to maximizing the community's return on investment and revitalizing healthcare in the region.

Both Mountain View Skilled Nursing Facility and the services included in the hospital addition are slated to begin operations in the summer of 2025. After completing this project, MMC will continue to enhance capabilities campus-wide and position itself to meet the region's evolving healthcare needs for the foreseeable future. On deck are plans to expand Mountain View's overall resident capacity and add additional beds dedicated to memory care. MMC's long-term plans include expanding primary care and imaging services alongside home health and hospice care. Of course, implementing these long-term goals will require additional time and resources. With longevity in mind, MMC remains committed to careful and thoughtful planning while continuing to operate in a financially sustainable manner for generations to come.

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