



PRESS RELEASE

CITY OF SAN CLEMENTE

OFFICE OF THE CITY MANAGER
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FOR IMMEDIATE RELEASE

4/12/2016

MemorialCare Puts Corporate Interests Ahead of People in Lawsuit to Intimidate the City of San Clemente

4.12.16...San Clemente, California... On Monday, April 11, 2016 MemorialCare filed an aggressive lawsuit against the City of San Clemente seeking \$42.5 million dollars in damages. MemorialCare has decided to close San Clemente's Hospital, has rejected the City's request to extend the closure date and refused to even consider numerous offers to purchase the hospital. Instead, MemorialCare has chosen to file a lawsuit and put its profit before the public's well-being. MemorialCare is a nonprofit public benefit corporation that receives tax exemption status but behaves like a for-profit company.

At the upcoming April 29th Orange County Emergency Medical Services Public Hearing, public input will be sought on the potential impacts of the San Clemente Hospital closure proposed for May 31, 2016 (Attachment I). The City will continue to do everything it can to protect the residents of San Clemente and surrounding communities, ensuring they receive the critical medical care they deserve and expect.

State law requires the City to designate land for public, institutional, and emergency uses. For decades, the City's land use and emergency planning have anticipated the need for a hospital and emergency medical facilities in San Clemente. The Safety Element of San Clemente's '2014 Centennial General Plan' identifies the existing hospital and its existing site as a "Critical Facility (Hospital)," yet MemorialCare's lawsuit asserts that a hospital designation is inconsistent with its commercial designs for the site. State General Plan Guidelines give the City the ability to review and update its zoning laws to make sure that they protect the public peace, safety, and welfare, including public health and quality of life. That is exactly what the City has done with the rezoning and the General Plan amendment to ensure the public's safety and welfare are protected.

The City believes these allegations are without legal merit and the attorneys' they have retained have a track record of seeking outrageous recoveries from cities. The City asks MemorialCare to continue to provide hospital and emergency services, the original intention when they purchased the property in 2005, until a replacement healthcare provider is found. The City has received a number of interested parties seeking to purchase the hospital.

Mayor, Bob Baker, stated: "This is a frivolous lawsuit. Memorial unilaterally chose to close the hospital and has refused to consider numerous offers to purchase it. As a non-profit they have failed to live up to their requirement to provide a public benefit. This closure will increase mortality rates between 5% and 15% in the entire South Orange County region. Those are people's lives, not profits."

**NOTICE OF PUBLIC HEARING
IMPACT EVALUATION REGARDING
SADDLEBACK MEMORIAL MEDICAL CENTER – SAN CLEMENTE
CLOSURE OF EMERGENCY SERVICES**

NOTICE IS HEREBY GIVEN that the Orange County Emergency Medical Services (OCEMS) / Emergency Medical Care Committee (EMCC) will hold a public hearing regarding the proposed closure of the Emergency Department at Saddleback Memorial Medical Center – San Clemente. The hearing will ensure that community members and health care providers have the opportunity to advise OCEMS prior to the completion of an impact evaluation.

DATE OF HEARING: April 29, 2016

TIME OF HEARING: 9:00 A.M. or as soon thereafter as possible.

LOCATION OF HEARING: Commission Hearing Room, County of Orange Hall of Administration, 333 West Santa Ana Blvd., Santa Ana, California, 92701.

PROPOSAL:

To hear input from the community, hospitals, fire departments, and ambulance providers impacted by the closure of emergency services at Saddleback Memorial Medical Center – San Clemente. Public comments will be utilized to assess the impact on community access to emergency medical care. Findings from the hearing will be included in the OCEMS Impact Evaluation Report to be submitted to the California Department of Public Health.

INVITATION TO BE HEARD:

All persons are invited to present their views before the EMCC.

Any written material to be submitted to the EMCC must be submitted to OCEMS at least 24 hours prior to the hearing.

For further information, please contact Tammi McConnell, MSN, RN, EMS Administrator of the Orange County Health Care Agency Emergency Medical Services program at (714) 834-3500.