

## **Announcement from Saddleback Memorial San Clemente**

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Saddleback Memorial Medical Center announced today its plans to close its San Clemente campus on May 31.

Since August 2014, Saddleback Memorial has held hundreds of meetings with employees, physicians, local residents, businesses, community organizations and elected officials to share its vision for converting the San Clemente campus into a state-of-the-art ambulatory health care center. The new vision included advanced urgent care, several outpatient programs and space for primary care physicians and specialists to revitalize the property into what many call the “Health Care Campus of the Future.” The goal was to draw more physicians, patients and community members to the campus and become a health care destination for San Clemente and the surrounding communities.

As part of that vision, Saddleback Memorial worked with California State Senator Patricia Bates and Assemblyman Bill Brough on legislation that would have allowed Saddleback Memorial to include a Satellite Emergency Department on that campus as well.

Despite substantial efforts by a coalition of supporters, neither bill received enough votes in January to continue toward passage. The following week, the San Clemente City Council voted to rezone the San Clemente campus property to require hospital services.

Like many small hospitals across the country, the San Clemente inpatient facility has continued to experience declining volumes. The number of inpatients dropped to the low teens with many days in the single digits, and the number of inpatient surgeries to less than one a day.

Without legislation to allow a Satellite Emergency Department, and given this new restrictive rezoning that requires hospital services and a declining census that makes operation of an acute care facility unsustainable, the vision to convert the campus into a modern ambulatory care center cannot now be achieved.

“This is not a decision we reached quickly,” said Tony Struthers, Saddleback San Clemente administrator. “It is the result of many discussions and deliberations. This was not the outcome we had sought or expected. We had hoped the campus could be used to expand health care services in the community. We envisioned a new modern ambulatory center that would better meet the community’s future health care needs and transform the campus into a health care destination.”

With enormous advances in medicine and health care, patients are increasingly being cared for outside of hospitals in convenient, easily accessible and high quality outpatient facilities. Health insurers are increasingly requiring patients to receive care in the most convenient, cost-effective location that is most often provided in an outpatient center. Remaining inpatients are transitioning from small traditional facilities to regional hospital medical centers which provide the broadest range of tertiary services to care for all types of patient needs with the most advanced programs, services, technologies and techniques.

These trends have been experienced first-hand at the San Clemente campus and with a greater impact due to the facility’s already small volumes. Many small facilities across the country are vulnerable and at risk of closure as the nation’s health care delivery system continues to transform. A recent study by iVantage Health Analytics suggest that there are currently 673

small hospitals in 42 states vulnerable to closure, based on factors such as low patient volumes, quality indicators and financial performance.

“We are grateful to the dedicated employees at the San Clemente campus,” added Struthers. “We are working with our employees to identify opportunities within the health care system.”

Over the next months, Saddleback Memorial will be actively working with local agencies to thoughtfully plan for the best transition of services.

“We will continue to serve San Clemente and the greater community through our health centers, imaging facilities, breast centers, ambulatory surgery centers and dialysis centers in San Clemente and surrounding communities, as well as the Saddleback Memorial Laguna Hills campus,” said Struthers. “We are also exploring adding new urgent care services in San Clemente, and we remain committed to seeking ways to meet the growing demand for convenient, affordable, high quality health care.”