

County of Riverside Update (Nov 2013)

Two biggest issues facing the county are: Jail beds and the County Hospital

Jail Construction

- AB 109 prisoner realignment has overtaxed our system. RivCo Jails have been at capacity since January of 2012.
- We released almost 7,000 inmates early 2012 and released roughly 9,000 early this year.
- Currently there are 3,900 beds in the county's existing five jails (Banning, Blythe, Indio, Riverside and Southwest).
- New Indio jail is under construction which will provide 1,200 new beds (replacing old jail).
- Banning Jail is applying for an \$80 million grant for an additional 580 beds.
- Building them is expensive but operating them is a budget killer.
- In 2013 RivCo's corrections budget was \$111 million (about 20% of the general fund).
- By 2017 that number is expected to rise to \$248 million, which will represent roughly 37% of County's discretionary funds.

We cannot afford to do this...so a couple of things need to take place.

- Need legislation to allow us to use privately run "community corrections facilities" (roughly half the cost of having public employees running a jail).
- Need state funding for operating/staffing jails.
- Need changes in sentencing laws.
- Need the state to build prisons or contract for beds (public or private).
- Need greater flexibility to send inmates to neighboring counties/states when possible.

County Hospital and Affordable Care Act:

- The county hospital is losing a lot of money every year (\$10 million last FY), this FY could be \$50 million.
- The hospital provides inmate services (medical and mental health services) which are essentially not paid for by anyone so the county pays that cost.
- The hospital is one of only 15 public hospitals in the state that provide a safety net for the poor and uninsured.
- The County is now in position of having to compete for business. This is new territory for us and is a big unknown. We believe that the ACA will be good for our hospital in the long run but we won't really know for a long time.
- Recent changes in administration at RCRMC should help with that issue and prepare us for the implementation of the Affordable Care Act (ACA) in January.

New CEO

- The Board of Supervisors also approved a contract with Lowell W. Johnson, who will act as the hospital's interim CEO. Johnson has 30 years of experience turning around ailing hospitals. He started this week on Nov 12th.

HURON Consulting

- The BOS indicated that, "In a county that has one of the worst hospital bed-to-patient-population ratios, we can't afford to lose any more hospitals."
- The Board of Supervisors were asked to approve a two-year contract worth up to \$25.9 million with the consulting firm Huron Healthcare to boost Riverside County Regional Medical Center's bottom line and improve long-term health care delivery strategies.
- The consultant contract is an investment to keep the hospital open.
- The group worked with Loma Linda University in 2010-2011 to increase profits. Huron reduced labor costs of \$30 million by cutting about 240 full-time employee positions, mostly through attrition and redesigned workflow, not 'significant' layoffs.