



**Becky L. Dugan, Presiding Judge**  
**Superior Court of California, County of Riverside**  
**4050 Main Street**  
**Riverside, California 92501**

**Riverside County Grand Jury**  
**Post Office Box 829**  
**Riverside California 92502**

**Riverside County Clerk-Recorder**  
**2720 Gateway Drive**  
**Riverside, California 92507**

**Subject: 2017-2018 Palo Verde Health Care District: Response to Grand Jury Report, Penal Section 933 et seq.**

**September 26, 2018**

## **Overview**

Over the past decade, the threat of hospital closures in small, remote communities has increased. Some closed entirely, some now only provide access to outpatient services, including clinics.

Many complex and diverse causes have led to these closures, including increasing regulations under the Affordable Care Act and, in some instances, a lack of Medicaid expansion. Other factors include shrinking populations, uninsured patients, outdated facilities, and the inability to transition into new care delivery models, frequently due to a lack of financial and human resources. The U.S. Department of Agriculture estimates approximately 46.1 million Americans live in rural areas, representing 14% of U.S. residents. Of 1,825 rural hospitals in the United States, these facilities may be classified as critical access, county hospitals, district hospitals or for-profit hospitals.

In many small towns and cities, there is a growing elderly population with significant and chronic health care needs, combined with little insurance, an increased dependence on

