





LAWSUIT SUMMARY

What is this legal action about?

At Fresno Community Regional Medical Center, patients in the Emergency Department spend hours in overcrowded waiting rooms, only to ultimately receive care on a gurney in the hallway. Staff are forced to make do with outdated equipment because "there is no money" and individuals in need of emergent care are often sent away to see specialists located miles away. Meanwhile, patients at Clovis Community Center are greeted by lavish facilities, hotel-like accommodations, and state-of-the art medical technology at every turn. One health care system—Community Health System (CHS)—owns and operates both hospitals.

The picture of disparate spending has been taking shape since 2009, when CHS began directing hundreds of millions in public funding to construct new buildings at Clovis CMC, to create a new healthcare provider network located in the wealthy areas of North Fresno and Clovis, and to relocate specialty services to the Clovis CMC campus. At the same time, CHS was aware Fresno CRMC required critical upgrades due to antiquated facilities, outdated equipment, insufficient operating rooms, an overwhelmed Emergency Department, and chronic understaffing. CHS also understood the concentrated poverty, community disinvestment, and health challenges that have long characterized the neighborhoods with high concentrations of Black, Latino, and immigrant residents that primarily rely on Fresno CRMC.

Nevertheless, when making the crucial decisions about where to prioritize investment of limited resources, CHS has consistently chosen to invest in Clovis CMC, rather than to protect and build up Fresno's safety net hospital—a high-volume Level 1 Trauma Center hospital affiliated with world-ranked University of California San Francisco. CHS spending essentially widened the gap in access to quality medical services and created a two-tier health care system segregated geographically and by income, race, and ethnicity. These spending choices have been made behind closed doors by a developer-driven board, prioritizing private interests over public good, without accountability or oversight. These choices have ultimately worsened the health of our region's most vulnerable patients.

For over a year, our legal representatives asked CHS to explain how it has spent public dollars – only to be stonewalled. Unfortunately, it takes legal action to compel transparency and accountability. Petitioners Cultiva La Salud and Fresno Building Healthy Communities bring this action to correct CHS's discriminatory allocation of over \$1 billion dollars to Clovis CMC and new provider network, and to require CHS to invest in Fresno CRMC.

What do Cultiva La Salud and Fresno BHC want?

We ask the Judge to declare that CHS has engaged in unlawful spending practices in relation to Medi-Cal funding laws and state civil rights laws. We want CHS to ensure that the healthcare facilities that serve Fresno CRMC and Black and Latino patients are easily accessible, and as safe, as modern, and as well-equipped as Clovis CMC. More specifically, we seek:

- A judicial declaration that CHS use Supplemental Medi-Cal funding to expand services to Fresno CRMC low-income patients, and an order requiring CHS to treat Supplemental Medi-Cal funds as restricted funds, and to spend them as required by law, tracking and reporting both their receipt and expenditures.
- A judicial declaration that CHS's spending decisions have created a disparate adverse impact on health care access and quality for Fresno CRMC's Black and Latino patients.
- An order requiring that CHS take affirmative steps to meet its legal obligation to provide full and equal access to healthcare services in a non-discriminatory manner and at a proportional capacity based on patient acuity and patient volumes, and to develop measures to regularly monitor and publicly report outcomes; specifically, to require CHS to:
 - Provide a detailed plan and timeline to upgrade the facilities and staffing at Fresno CRMC to a quality equivalent to Clovis CMC, and to bring the hospital into compliance with 2030 seismic safety requirements.
 - Implement best practices at CRMC Emergency Department to improve wait times and ensure that they are equal to or less than the same wait time measure at Clovis CMC, and to provide treatment in an environment equally private and free from safety concerns.
 - Provide in the Fresno CRMC Emergency Department space adequate to make sure at least one family member or friend can provide support for any patient who is severely ill, elderly, disabled, or who struggles with language or cultural barriers, or mental health or cognitive impairments.
 - Publish on the CHS website an annual (or more frequent) evaluation of each hospital's Language Access Plan and utilization rates, to make sure in-person communication in the patient's own language is equally available at Fresno CRMC and Clovis CMC.