



**CALIFORNIA
HOSPITAL
ASSOCIATION**

*Providing Leadership in
Health Policy and Advocacy*



June 29, 2015

Jeanine Townsend
Clerk to the Board
State Water Resources Control Board
1001 I Street, 24th Floor
Sacramento, CA 95814

SUBJECT: Comment Letter – Conservation Water Pricing

Dear Ms. Townsend:

The California Hospital Association (CHA), which represents more than 400 hospitals and health systems, thanks the State Water Resources Control Board (SWRCB) for the opportunity to respond to the conservation water pricing and implementation of Directive 8 of Executive Order B-29-15. On behalf of California's acute care hospitals, we respectfully request that they be exempt from increased water fees or fines.

CHA previously submitted comments on the draft emergency water conservation regulations. We would like to reiterate the importance for the state and local water agencies to take into special consideration of the needs of California's acute care hospitals as the issue of conservation water pricing and implementation is discussed at both the state and local level.

Due to the nature of their business, hospitals are considered part of a community's critical infrastructure and public safety. They are required to remain operational 24 hours a day, 7 days a week to provide critical and life-sustaining services to the acutely ill or injured. These services are provided regardless of the patient's ability to pay. It's a mission hospitals embrace, but carrying out the mission comes at a steep cost. Every year, hospitals across California provide more than \$15 billion in care for which they receive no compensation. Of that amount, nearly \$7 billion is related to underpayments from the Medicare program and nearly \$3.5 billion is from the Medi-Cal payment shortfall. Medicare payment cuts totaling more than \$22 billion will be imposed on California hospitals over the next 8 years. These payment shortfalls limit hospitals' ability to meet patient needs.

Hospital costs in California are significantly influenced by unfunded legislative mandates such as the state's \$110 billion seismic compliance requirements. As part of their construction plans, hospitals are implementing numerous short and long term measures to conserve water and energy.

As stated in our previous comment letter, CHA commends the Governor's actions to address the drought impacting our state. Acute care hospitals in California continue to take the drought seriously and have been implementing conservation measures where appropriate. The following are some of the short-term and more immediate actions being taken by hospitals:

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- Auditing water use with sub-meters to identify trends and conservation opportunities
- Adopting water conservation policies and using more efficient equipment and appliances
- Replacing in-ground sprinkler systems with drip irrigation systems
- Replacing turf with drought-resistant landscaping
- Minimizing waste and adjusting landscape watering schedules to comply with local ordinances
- Turning off outdoor water features
- Using low-flow plumbing fixtures and automatic faucets
- Using recycled water for irrigation
- Recycling cooling tower blow down water
- Minimizing cooling tower blow down through best management practices
- Enlisting employee support with water conservation efforts

While hospitals are taking appropriate measures to conserve water in the above-referenced areas, much of what they utilize is essential to their mission and core function. They must remain operational 24/7, 365 days a year. The following are some of the critical and essential areas that require water:

- Patient care and hygiene
- Infection prevention and control
- Sterilization of instruments
- Disinfection / cleaning of patient rooms and other areas
- Food preparation and dietary services
- Laundry
- Heating and cooling systems (HVAC)
- Processing equipment for radiology
- Analytical equipment in the lab

Water usage for these critical purposes cannot be cut without harming patient care or public health and safety.

Over the past decade, hospitals have made tremendous progress in water conservation. As older facilities have been retrofitted or replaced with new buildings, less efficient fixtures and equipment have been replaced by low-flow fixtures and high-efficiency appliances. CHA continues to work with Office of Statewide Health Planning and Development (OSHPD) to ensure that upcoming building code changes will address water conservation measures for hospital plumbing renovations and new construction.

As California enters its fourth drought year, hospitals will do their part while still preserving patient safety and public health. It is critical that California's conservation efforts do not require hospitals to reduce water usage in a way that would compromise health and safety.

In closing, CHA asks the SWRCB as well as the local water agencies and municipalities to exempt hospitals from any increased rates and/or fees.

CHA thanks you for the opportunity to comment on conservation water pricing and implementation of Directive 8 of Executive Order B-29-15 and appreciates your consideration of CHA's comments on behalf of California's acute care hospitals and the vital mission they provide to their communities and the state.

If you have any questions, please contact me at (916) 552-7681 or chummel@calhospital.org.

Sincerely,

A handwritten signature in black ink that reads "Cheri Hummel". The signature is written in a cursive, flowing style.

Cheri Hummel
Vice President Emergency Management and Facilities