

INDIAN WELLS CITY COUNCIL

March 5, 2026



To: City Council
From: Finance Department
Prepared by: Kevin McCarthy, Finance Director
Subject: **Community Assistance Funding Request from Eisenhower Health for Trauma Center Upgrade**

RECOMMENDED ACTIONS:

Council **CONSIDERS** the \$1.0 million funding request from Eisenhower Health to support the hospital's effort to elevate its trauma center designation; and

APPROVES, Ad Hoc Committee's recommendation allocating funding from General Fund surpluses and distributing it evenly between Fiscal Years 2025-26 and 2026-27; and

APPROVES, Ad Hoc Committee's recommendation to approve Naming Rights Opportunity with Eisenhower Health within the Emergency Department; and

FINDS the project to be exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Section 15060.

SUMMARY:

Eisenhower Health has requested \$1.0 million in Community Assistance funding to support capital, staffing, and operational enhancements necessary to elevate its trauma designation from Level IV to Level III. Eisenhower Health expects to complete the transition to a Level III trauma center by mid-summer 2026. Once the transition to Level III is complete, Eisenhower Health will begin the transition to Level II. If approved, City funding will be used in both transitions.

Advancement to Level III status would significantly expand Eisenhower's ability to treat more severe traumatic injuries locally, including head injuries, major falls, internal bleeding, and complex orthopedic trauma. Currently, many patients experiencing these higher-acuity events must be transported to regional trauma centers such as Desert Regional Medical Center in Palm Springs or John F. Kennedy Memorial Hospital in Indio.

Upgrading to Level III would allow more critically injured residents to receive definitive trauma care at Eisenhower without transfer, potentially reducing transport times by an

estimated 15 to 25 minutes, depending on incident location. In trauma medicine, minutes are critical. Reduced transport time may improve patient outcomes and accelerate access to life-saving surgical intervention.

Consistent with the City's Policy on Community Assistance Funding Requests Exceeding \$200,000, this request has undergone enhanced review and City-led community engagement prior to Council consideration.

Following its review, the Ad Hoc Committee recommends approval of the \$1.0 million contribution, structured evenly across two fiscal years and funded from available General Fund surpluses. As part of its negotiations with Eisenhower Health, the Committee also secured agreement for a Naming Rights Opportunity within the Emergency Department to formally recognize the City of Indian Wells' contribution and partnership in supporting enhanced trauma services.

BACKGROUND:

In September 2025, Eisenhower Health submitted a formal request to the City of Indian Wells seeking \$1.0 million in Community Assistance funding to support enhancements necessary to elevate its trauma designation from Level IV to Level III. The proposed funding would support capital, staffing, and operational enhancements necessary to elevate the hospital's trauma designation.

Eisenhower Health operates as a not-for-profit, federally tax-exempt charitable organization under Section 501(c)(3) of the Internal Revenue Code. As the only not-for-profit hospital in the Coachella Valley, Eisenhower is structured to reinvest all revenues into patient care, community health services, facilities, technology, and programs that support its mission of serving regional healthcare needs rather than generating profit for private owners or shareholders. Unlike for-profit health systems, Eisenhower does not issue dividends or distribute earnings to individuals; any financial margins are retained within the organization to expand services, improve quality, and support community benefit initiatives, including charity care, education, and economic assistance programs.

Trauma center designation levels reflect increasing requirements for physician availability, specialty coverage, equipment, and facility capacity, as summarized below.

Trauma Center Designations

- Level IV: Eisenhower's current level. 24/7 Emergency physician coverage with Advanced Trauma Life Support (ATLS) protocols and training. Provides resuscitation and stabilization, as well as, when available, surgical and intensive care services.

- Level III: Requires 24/7 immediate coverage by trauma surgeons, anesthesia, and emergency physicians. Capable of performing urgent trauma operations and stabilizing critical patients without transfer in many cases.
- Level II: Requires 24/7 trauma surgeon coverage and most surgical subspecialties, including orthopedics, neurosurgery, and vascular surgery, along with trauma ICU capacity.
- Level I: Similar to Level II in terms of clinical service requirements, but with added academic responsibilities to support research, education, and system leadership.

To achieve the proposed upgrade, Eisenhower Health must invest in expanded trauma surgeon coverage, specialty staffing, advanced imaging and surgical technology, and additional trauma bay and operating room readiness to accommodate multiple critical patients simultaneously.

DISCUSSION:

Policy Compliance

The City's Policy on Community Assistance Funding Requests Exceeding \$200,000 establishes an enhanced review and public engagement framework for funding proposals that represent a significant financial commitment by the City of Indian Wells. Requests exceeding this threshold are evaluated independently from standard program requirements and are subject to additional procedural steps prior to City Council approval.

The policy requires review by a Council-appointed Committee, preparation of a comprehensive staff report, formal consideration at a publicly noticed City Council meeting, and completion of City-led community engagement before a final decision is made. The purpose of this framework is to promote fiscal accountability, ensure transparency in the use of public funds, maintain public trust, and provide residents with a meaningful opportunity to understand and comment on substantial funding proposals.

This funding request has followed all required steps.

Ad Hoc Committee Review and Direction

On October 16, 2025, the City Council voted to advance consideration of the request and appointed a two-member Ad Hoc Committee consisting of Council Member Reed and Council Member Whitman. The Committee was tasked with conducting a thorough review of the proposal, meeting directly with hospital leadership, evaluating fiscal and operational implications, and reporting its findings and recommendations to the full Council.

During the course of its review, the Committee requested detailed information from Eisenhower Health regarding capital investments, staffing expansions required for 24/7 trauma surgeon coverage, equipment upgrades, regulatory requirements associated with the Level III designation, anticipated implementation timelines, and long-term operational sustainability. The Committee also discussed the regional healthcare landscape and how an upgraded trauma designation would integrate into existing emergency response systems.

Importantly, during discussions with hospital leadership, the City of Indian Wells specifically requested that any potential financial contribution be directed toward strengthening trauma services to better meet community emergency response needs. The proposal now before the Council reflects that request and focuses on trauma program enhancements rather than general hospital operations.

The Ad Hoc Committee met on February 3, 2026, to conclude its review. After evaluating the information presented, assessing fiscal considerations, and discussing community benefit, the Committee directed staff to place the item on the March 5, 2026, City Council agenda and to conduct the required City-led community engagement process prior to final deliberation.

In addition, as part of its discussions with Eisenhower Health, the Ad Hoc Committee negotiated and received confirmation that the City of Indian Wells would be provided a Naming Rights Opportunity within the Emergency Department in recognition of its contribution. The Committee determined that formal recognition within the Emergency Department appropriately reflects the City's investment in trauma services and strengthens the visibility of the City's partnership in advancing regional emergency care.

Community Engagement Process

Consistent with City policy, a citywide informational mailer was reviewed, approved by the Ad Hoc Committee, and distributed to all Indian Wells households during the week of February 16, 2026. The mailer summarized the funding request, described the proposed trauma designation upgrade, outlined potential fiscal considerations, and invited public participation.

In addition to mailed notification, the City utilized its established electronic communication channels to provide notice of the proposal and upcoming Council meeting. Reminder notifications were distributed to maximize public awareness. Residents were encouraged to attend the meeting or submit written comments to the City Clerk for inclusion in the official record. All comments received were provided to the City Council in advance of consideration.

This process ensured transparency and provided residents with a structured and meaningful opportunity to understand the proposal and provide input before a final funding decision.

Trauma Designation and Community Benefit

Eisenhower Health currently operates as a Level IV Trauma Center, which provides 24/7 emergency physician coverage and the ability to stabilize trauma patients prior to transfer. Under this designation, patients experiencing more severe traumatic injuries — such as traumatic brain injuries, significant internal bleeding, or complex orthopedic trauma — are often transported to regional facilities, including Desert Regional Medical Center or John F. Kennedy Memorial Hospital, for definitive care.

Elevation to Level III status would require 24/7 immediate coverage by trauma surgeons and anesthesia, expanded specialty support, and enhanced facility capacity. With this designation, Eisenhower would be able to perform urgent trauma operations and treat a broader range of critical injuries locally, reducing the need for interfacility transfers in many cases.

For Indian Wells residents, this improvement would mean that in the event of a serious injury, treatment could begin and, in many cases, be completed locally rather than requiring transport to another city. Depending on location and traffic conditions, this may reduce transport times by approximately 15 to 25 minutes. In trauma care, earlier access to surgical intervention and advanced stabilization can be lifesaving. To achieve this upgrade, Eisenhower must invest in expanded trauma staffing, specialized equipment, and additional trauma bay and operating room readiness. These investments are intended to ensure that more critically injured patients can be treated locally, reducing transfer dependency and strengthening regional emergency response capacity.

Summary of Contributions from Other Cities

Eisenhower Health has received financial support from multiple Coachella Valley cities in recognition of its role as a regional healthcare provider serving residents across jurisdictional boundaries. Municipal contributions have supported emergency department operations, construction of the Annenberg Pavilion, acquisition of advanced cardiac and telemetry technology, patient monitoring systems, and components of the hospital's current capital campaign.

It is important for residents to understand this broader regional context. Eisenhower Health functions as a shared regional asset, and neighboring cities have historically participated in funding major capital and service enhancements to support healthcare access for their communities.

Providing this information allows residents to evaluate whether Indian Wells' participation aligns with regional practice, whether the proposed contribution is proportional, and how shared regional institutions are collectively supported. Transparency regarding regional contributions ensures that the Council's decision is made within the context of Valley-wide partnership and shared responsibility.

The table below outlines the contributions of various cities, the amounts funded, the project or projects funded, the funding year, and the time required to fund the pledge.

City	Amount Gifted	Project Funded	Year	Pledge Years
City of Palm Desert				
	\$ 2,500,00.00	Passion for Excellence Campaign - Eisenhower Child Care Center	2023	Paid in full over 3 years
	\$10,000,000.00	Construction of the 232-bed Annenberg Pavilion	2007	Paid in full over 3 years
City of Rancho Mirage				
	\$ 2,000,000.00	Passion for Excellence Campaign - Eisenhower Child Care Center	2025	Paid in full in 1 payment
	\$ 2,500,00.00	Cath lab, telemetry system and patient monitoring system	2020	Paid in full in 1 payment
	\$ 1,000,000.00	Construction of the 232-bed Annenberg Pavilion	2018	Paid in full over 5 years
	\$ 5,000,000.00	Emergency Operations	2004	Paid in full in 1 payment
City of Palm Springs				
	\$ 500,000.00	Furniture, fixture and equipment for the Tahquitz Infusion Center and Cardiovascular Clinic	2025	2 payments within 12-months starting in December 2025
City of Indian Wells				
	\$ 1,000,000.00	Trauma technology	2026	Request
	\$ 2,500,000.00	Passion for Excellence Campaign – Cardiovascular Institute	2021	Paid in full in 1 payment
	\$ 5,000,000.00	Indian Wells Urgent Care	2005	Paid in full over 2 years

OPTIONS:

The City Council may consider the following alternatives:

1. Approve the Ad Hoc Committee recommendation.
2. Deny the request.
3. Provide an alternative direction.

FISCAL IMPACT:

If approved, a supplemental appropriation would be required. To mitigate fiscal impact, the Ad Hoc Committee recommends allocating funding from General Fund surpluses and distributing it evenly between Fiscal Years 2025-26 and 2026-27. Eisenhower Health has indicated that this funding schedule would not affect project implementation.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA):

This action has been reviewed per the authority and criteria contained in the California Environmental Quality Act (CEQA), the State and local CEQA Guidelines, and the City's environmental regulations. The City, acting as the Lead Agency, determined that the ordinance is not subject to CEQA pursuant to Sections 15060(c)(2), 15060(c)(3), and 15061(b)(3) of the State CEQA Guidelines, because it will not result in a direct or reasonably foreseeable indirect physical change to the environment as there is no possibility that the action would result in a significant environmental impact, and because it does not constitute a "project" as defined in Section 15378 of the State CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3.

ATTACHMENTS:

1. Eisenhower Health Funding Request
2. Sponsorship and Community Assistance Funding Policy
3. Eisenhower Health Trauma Center Mailer
4. Community Comments