

**SPECIAL LEVY FACT SHEET**  
**Garfield County Memorial Hospital and Long Term Care**

**PROPOSITION 1**  
**LEVY FOR OPERATIONS, MAINTENANCE AND IMPROVEMENTS**

The Commission of Public Hospital District No. 1, Garfield County adopted Resolution No. 11-11, concerning a proposition to finance operations, maintenance and improvements. This proposition would authorize the District to operate and maintain the District's health care facilities and services, acquire and install a new health information technology system, and levy taxes in excess of regular property tax levies, at the estimated levy rate of \$2.32 per \$1,000 of assessed value, on all taxable property within the District for collection in 2013 to provide a total of \$750,000, all as provided in Resolution No. 11-11.

- The Hospital District is transitioning from a 45 bed facility to a 25 bed facility
- The transition is necessary to eliminate deficits in the nursing home
- During this transition it will take up to a year for reimbursement to stabilize
- Until rates stabilize Medicare payment adjustments are eating away at cash reserves
- A levy is necessary to stabilize cash flow and prevent possible disruption in service

**These tax proceeds will fund the following...**

**Operations & Maintenance**

Although the bed transition is necessary and critical to the survival of the hospital, the impact of these changes on the short-term cash flow position of the district has hit much sooner and more dramatically than could have been anticipated. Looking at cash flow projections the district will need to close a cash flow gap of approximately \$70K per month during the transition into its new cost structure. In the meantime, although the district is on budget for both revenue and expenditures, contractual adjustments from Medicare and Medicaid are eating away at available cash.

In order to manage the current cash flow situation the district has implemented a number of cost containment measures including sweeping reductions in non-direct care staff. So far the district has not had to lay-off any employees.

Without supplemental revenue the district may be forced to suspend operations as early as June of this year.

**Technology**

The district has a short window of time to meet new technology standards for medical records. If the district fails to comply with these standards by the deadline the district could stand to lose over a million dollars in reimbursement from Medicare.

**Why is a levy necessary?**

A levy is necessary in order to avoid disruption of services and permit the district to proceed with the required update to technology.

For questions please call: Andrew Craigie, CEO 509-843-1591 x120

On February 14, 2012, the voters within the Garfield County Public Hospital District will be asked to approve a one-year special excess levy to finance operations, maintenance and improvements.

**Facts to Consider**

- The need for this levy is real. Without this levy the district may be forced to suspend operations as early as June of this year
- Levy funds will sustain the hospital until Medicare reimbursement stabilizes next year
- This is the first Operations and Maintenance Levy for the district in 5 years
- Levy's in 2008 & 2009 specifically funded repairs to critical systems this levy is different
- The proposed levy rate \$2.32 is comparable to past M & O levy's but generates more revenue due to increased valuations from Windmill development
- With 92 full and part time employees Garfield County Hospital District is one of the largest employers in the community.
- The economic benefit of the hospital is incalculable but likely in excess of \$8M annually



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GARFIELD COUNTY HOSPITAL  
DISTRICT  
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Remember to VOTE February 14th