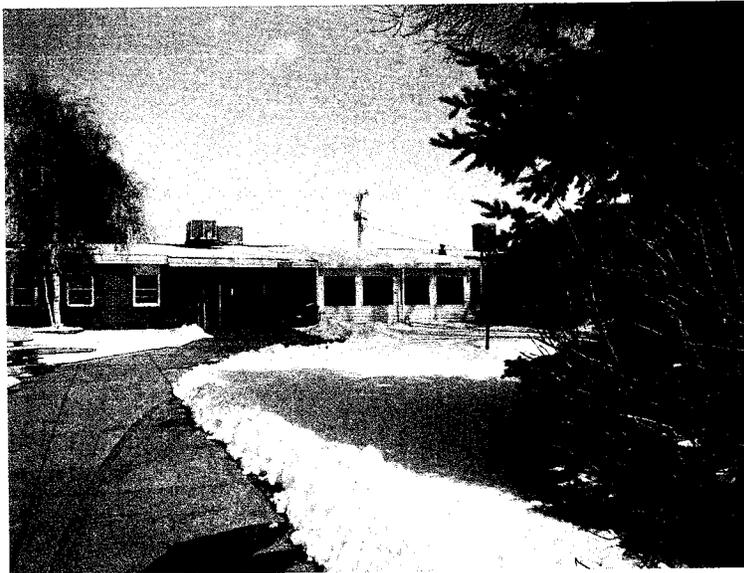


## RHCC FACILITY OVERVIEW

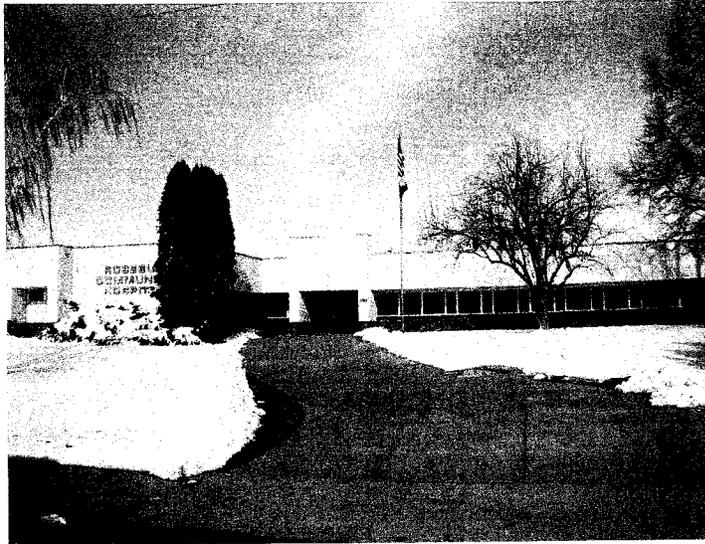
Rosebud Health Care Center (RHCC) consists of three county owned buildings connected together built in three different decades, located in Forsyth, used to deliver three basic medical services to Rosebud and Treasure County residents: hospital, extended care and an out-patient clinic.



*1920s hospital – Now housing Rural Health Clinic*



*1950s nursing home – Continues serving as a nursing home facility*



*1970s hospital – Continues serving as the only public hospital serving the two-county area.*

RHCC, as well as several other rural hospitals in America, was originally built under the Hill-Burton Program. This program provided funding to build facilities which in return, would provide charity care to the community over an undisclosed number of years. Rosebud Health Care Center just retired our obligation to Hill-Burton three years ago but we continue to provide charity care to our community. As beneficial as the program was, these facilities are all aged and exceeding the expected life span. The structure housing our Rural Health Clinic was built in 1920 to serve as the community's first hospital. The structure housing the Long-Term Care unit was built in the 1950s. The structure housing our Critical Access Hospital was built in the early 1970s. The adjoining building housing our operation ranges from 90 – 40 years old with minimal updating and remodeling since initial construction!

I understand that SB 281 will allow the opportunity for additional funding for the extended care alone. However, the parts of the organization that are profitable are currently subsidizing the extended care unit and the organization as a whole cannot generate enough cash to have a meaningful capital budget for improvements and replacements.

The geography of Rosebud County drives residents to medical care providers in distinct locations, including Wyoming. It is good that each geographical region finds health care provision within reasonable distances. The only public hospital and extended care facility in Rosebud County is Rosebud Health Care Center.

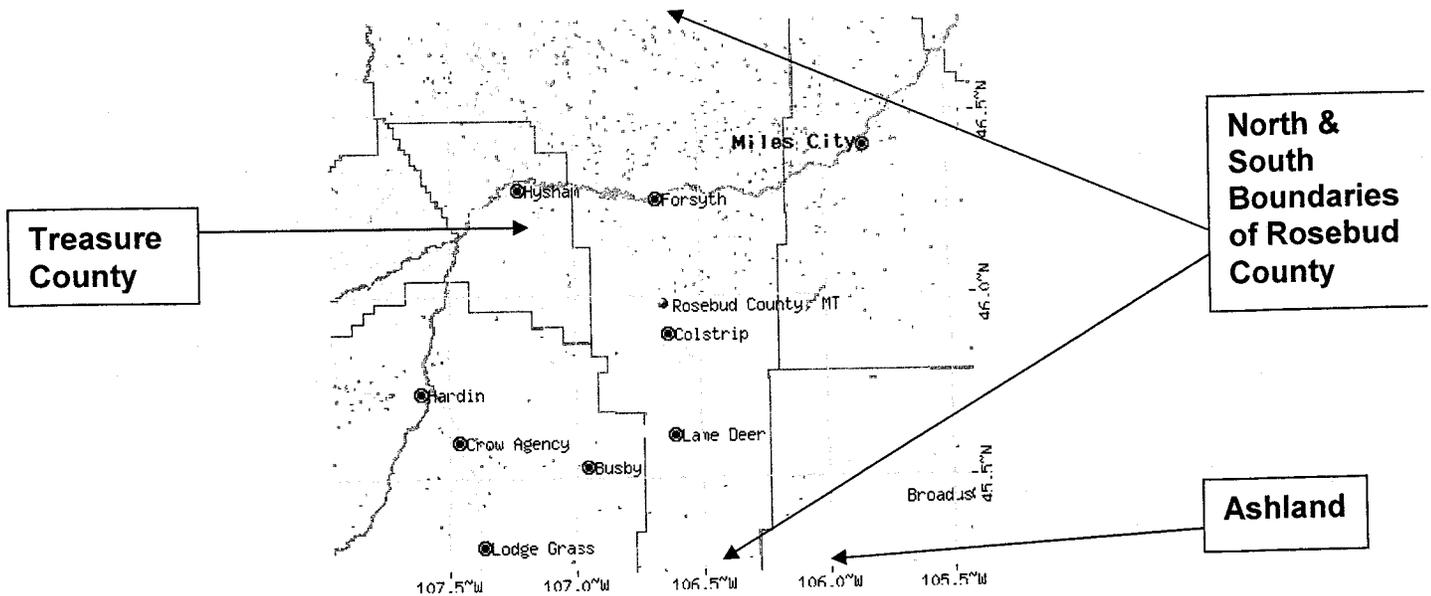
Northern Rosebud County is predominantly ranching country. Forsyth, the county seat, is the city where these folks visit for shopping, entertainment and where medical care is available for them.

Central Rosebud County is predominantly ranching and coal development. Colstrip is the city that serves those residents basic shopping needs. Colstrip residents seek their basic medical care through the Colstrip Medical Center.

Southern Rosebud County includes the Northern Cheyenne Reservation. Lame Deer is the town located on the Reservation. There is a relatively new Indian Health Service medical facility in Lame Deer. There is also a retirement complex that serves the elderly of Lame Deer. For nursing home services, the Northern Cheyenne usually go to a nursing home on the Crow Reservation at Crow Agency.

Ashland is located on the southeastern edge of Rosebud County, just outside the Reservation. Ashland developed a community health clinic that is funded by state and federal dollars. In a front page story in the April 11, 2010 Billings Gazette, the Ashland Community Health Center was listed as receiving \$113,535 of Federal funds from the stimulus package. And most recently the Ashland Community Health Center received an additional \$100,000 from Rosebud County. Ashland residents go to Broadus or to Sheridan, Wyoming, for hospital services. For their extended care, they usually choose the extended care services Broadus.

Treasure County is small, both geographically and population, and it is located on the western boundary of Rosebud County. The small county seat of Hysham provides basic clinical services to the residents of Treasure County, but many residents come to Forsyth for a greater offering of services. Residents of Treasure County depend upon the medical services provided by RHCC in Forsyth. Rosebud and Treasure counties have a long history of collaboration.



What are some of the concerns we face at Rosebud Health Care Center:

1. Payment structure for nursing homes
  - a. The daily cost per Elder are exceeding the amount being reimbursed.
2. Means for Capital
  - a. To purchase necessary equipment
  - b. Remain compliant with regulations
  - c. Replace buildings
3. Home Health system
  - a. Currently, people leave the facility healthy, go home where there is not any care and end up back in the facility within the 30 day threshold.
4. NO COOPERATIVE HEALTH PLANNING WITHIN ANY COMMUNITY!

How we manage:

1. Fund raisers, donations, and bake sales
  - a. We compete with school organizations to earn funding for small projects that may rise due to a deficiency discovered in the state nursing home survey results.
  - b. Memorial money from families of elders who may have recently passed away
    - i. These usually come in increments of \$5.00, \$10.00, or sometimes \$20.00. Very seldom is the amount in the hundreds, and only one time was the amount in the low thousands.
  - c. Local foundation that started at zero and have built through blood and sweat.
    - i. In the 14 years of existence, this foundation has been a lifesaver for our organization.
2. Grants
  - a. We have had some success with obtaining grant dollars to upgrade some of our essential equipment, as well as become compliant with HIPAA and ADA.
  - b. We have been limited at times with grants, simply because we could not afford the match amount
3. Loans
  - a. Emergency operating loans

4. Locally approved levy

Starting in 2008, the Rosebud County Commissioners and RHCC Board of Directors spent several months working on a plan to develop a county-wide medical district. That course of action was abruptly stopped in March of 2009. The reason for the turn-around in the county's position is the possible interpretation of double taxation on residents living within the Colstrip Medical District that was established roughly 20 years ago. The interpretation is clarified in a letter from Rosebud County Attorney Michael B. Hayworth. (see letter included) As stated earlier, Colstrip Medical Center provides outpatient services which deem it a healthcare facility under the definition 7-34-2201 in the Montana Code Annotated. The definition of a healthcare facility reads; *As used in parts 21 and 23 through 25 and this part, unless the context clearly requires otherwise, the term "health care facility" means a hospital, a medical assistance facility, a critical access hospital, a hospice, an end-stage renal dialysis facility, an outpatient center for surgical services, an outpatient center for primary care, a rehabilitation facility, a long-term care facility, or an adult day-care center.*

Under the current law, if a hospital district were to be set up to raise funds for RHCC, the properties inside the existing medical district within Rosebud County would be excluded.

The following is the impact on the value of the mill:

One mill would raise \$21,878 in a district formed **excluding** the existing medical district.

One mill would raise \$95,327 in a district formed **including** the existing medical district.

Is the County of Rosebud and Rosebud Health Care Center trying to pass a law that would do something new throughout the state, are we one of the first medical facilities to need support through a mill levy. The answer to these two simple questions is no. This is indicated on the spread sheet identifying the other counties with support, Rosebud Health Care Center is 20 years behind. Just recently the Billings Gazette reported that Musselshell County passed a levy to support Roundup Memorial Hospital. This procedure is not new, but it is needed for survival. Currently, there are underlying taxation and legislative issues that have raised barriers for formation of a hospital district to supplement this extended care unit. How would SB 281 rectify this situation? If SB 281 passes, the law it's self will not raise taxes but rather give the entire body of Rosebud County the opportunity to show their support for their long term care facility located in Forsyth. Please support Senate Bill 281.

Thank you,

Ryan Tooke