

Chairman Tutvedt and members of the committee for the record my name is Geraldine Custer spelled C U S T E R and I am here in support of SB 281.

I am a Hospital Board trustee, as well as, the Rosebud County Clerk and Recorder.

You will notice in our handout that we have some very antiquated facilities that are in need of some major repairs. Our hospital was built in 1973, the nursing home in 1959, and the old hospital that was made into our rural health clinic in the 1920's. Rosebud County owns these buildings and tries to maintain them, but our mills have been frozen since 1980's. As my commissioner, Robert Lee, mentioned we have had to fund repairs with Federal Mineral Royalty monies that are on the chopping block this session to help balance the State Budget.

If trying to maintain old buildings is not enough of a problem on a tight budget, try to run a business for profit and know you are only going to get a return on all your hard work at 76% from Medicaid or at around 67% from medicare. It is pretty tough to try and keep excellent help if you can not compensate them now and then. Our hospital and rural health clinic make a slight profit, but that profit is more than swallowed up by the losses on our nursing home. Our projected loss for 2010, as you can see in your handout, is close to a half million dollars. We are the only critical access hospital that does not have outside funding in the form of a mill levy.

The passage of SB 281 would allow the county to go to the voters to ask for funding to maintain the nursing home. The way the current statutes read, our county can not ask the voters in the Colstrip Medical District for funds to maintain our nursing home. The Rosebud County Commissioners missed that in the statute when the Colstrip Medical District was created in 1989. I know they missed that point, because the

hospital was built with a countywide GO Bond in 1973, and we levied county wide after the Colstrip Medical District was built to pay off the bond until the bond was retired. In retrospect, the hospital district should have been created countywide, and it could have taken care of all the counties medical needs, but times were different, and most doctors were still in private practice and they did not need an elected board making medical decisions that would affect them. The Colstrip Medical District does not have a nursing home or long term care facility, so it is not a duplication of services to ask for funds from their district to support our nursing home, as Colstrip residents use our facility as well. I feel it is fiscally more prudent to give a little financial support to a good proven facility than to build one from the ground up. Nursing homes are not money making businesses, but are necessary as we age, and I might add we are the fastest graying county in the state of Montana, according to an article in the Billings Gazette.

County taxes in Rosebud County are the lowest in the State of Montana. Our current countywide tax mill levy is 37 mills, and the next county that even comes close to us is Phillips at 65, Big Horn at 74, and Sanders at 99. Rosebud has always been fiscally responsible, and that hurt us when mills were frozen in the mid 1980's.

Currently a mill would raise 95,327.00 countywide, and a mill without the Colstrip Medical District would raise 11,674.00. As you can see, it will take approximately 9 mills to raise the same dollars without the Colstrip Medical District valuation, as one mill will raise countywide.

If you can find it in your hearts to support SB 281, we would still need to go to the voters to get our funding. In other words, we have to sell our need for funding to the voters. The reason we have to go to a vote is our levies are capped, and we are at the maximum allowed by law, so the only choice is the ballot box.

In closing, I would ask you to support this bill and let the voters decide if they can afford a levy to support the nursing home deficit in Forsyth.

Thank you.

Geraldine Custer  
Rosebud County Clerk and Recorder  
Rosebud Health Care Trustee