



# Prairie Community Hospital

## *Foundation*

EXHIBIT 2  
DATE 3/17/15  
SB 294

March 6, 2015

The Honorable Edward Greef  
Chair, House of Representatives Local Government Committee  
Montana State Capitol Building, Room 172  
Helena, MT 59620-0050

Re: Support SB 294; An Act Revising the Authority of a Hospital District to Borrow Money

Dear Mr. Chairman and Members of the Committee,

On behalf of Prairie Community Hospital Foundation, I am writing to respectfully urge your consideration of revising Section 7-34-2131, MCA, as proposed in Senate Bill No. 294.

In September, 2014, Prairie Community Hospital Foundation launched a campaign in support of a request for a mill levy that was placed on the Prairie County General Election ballot. The ballot item requested a levy be imposed on Prairie County taxpayers to raise a sum of \$100,000 per year for a period of thirty (30) years. In return for their tax support, our campaign promised our taxpayers that we would replace the facility's failing boilers and install an automatic fire suppression system, all while under the assumption we would be able to use these funds to satisfy a low-interest loan for a period of thirty years. The proposed mill levy was passed by majority vote on November 4, 2014.

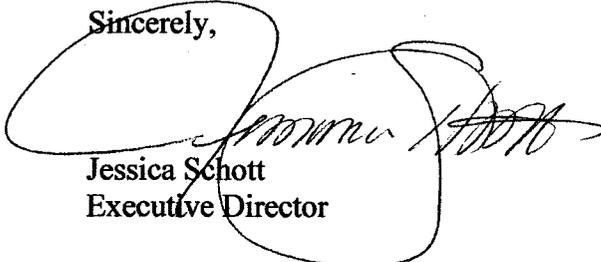
Prairie County's 1,100 person population is one of the most aged populations in the nation. A majority of residents in this county live on low, fixed incomes and rely mostly on Medicare and Medicaid programs for healthcare insurance. A thirty-year monetary commitment from a population that doesn't have much to give shows the level of importance and trust that is placed on our facility. The average income level of our community is also reflected in the small amount of revenue Prairie Community Hospital generates and decreased reimbursement from state and federal programs.

The role of Prairie Community Hospital Foundation is to fund renovations, improvements and new equipment to aid in operations of Prairie County Hospital District. We rely solely on monetary contributions from donors, with limited aid from external grants. Having just received our 501(c)(3) status in January, 2009, Prairie Community Hospital Foundation still has limited funds to offer for large capital improvements. With so many other areas of the facility also needing immediate improvement and attention, we have focused our efforts on more monetarily feasible equipment and renovation needs.

If SB 249 is not passed, the Hospital District will be forced to secure a much smaller loan in order to afford satisfying the loan within the fifteen year time-frame that is currently allowed by Section 7-34-2131, MCA. This smaller loan will hardly fund the replacement of the boilers and will require the Hospital District to forgo its plans of installing the fire suppression system. While there is no regulation requiring the installation of such a system in a Critical Access Hospital, the potential need for a fire suppression system should not be ignored for the safety of the facility's patients and staff.

With increased reliance on Prairie County Hospital District by the community, Prairie Community Hospital Foundation urges your support of SB 249 when it comes before you for a vote. Please assist us in fulfilling the promise we made to the taxpayers of our county and to continue providing medical care and support to our community for generations to come.

Sincerely,



Jessica Schott  
Executive Director