

ALBANY COUNTY BOARD OF COMMISSIONERS MEETING AGENDA ITEM COVER SHEET

MEETING DATE: July 10, 2017

TITLE OF ITEM TO APPEAR ON AGENDA:

Approval of Resolution No. 2017-11 Approving And Consenting To Albany County Special Hospital District D/B/A/ Ivinson Memorial Hospital Leasing The Operation Of The Hospital To Ivinson Memorial Hospital, A Wyoming Nonprofit Corporation

ITEM: Resolution No. 2017-11 Approving And Consenting To Albany County Special Hospital District D/B/A/ Ivinson Memorial Hospital Leasing The Operation Of The Hospital To Ivinson Memorial Hospital, A Wyoming Nonprofit Corporation

OPTIONS:

Approve or Not Approve Resolution No. 2017-11 Approving And Consenting To Albany County Special Hospital District D/B/A/ Ivinson Memorial Hospital Leasing The Operation Of The Hospital To Ivinson Memorial Hospital, A Wyoming Nonprofit Corporation

RECOMMENDED COMMISSION ACTION:

Approve Resolution No. 2017-11 Approving And Consenting To Albany County Special Hospital District D/B/A/ Ivinson Memorial Hospital Leasing The Operation Of The Hospital To Ivinson Memorial Hospital, A Wyoming Nonprofit Corporation

STRATEGIC GOAL MET:

BUDGET/FINANCIAL IMPACT:

CONTACT FOR ADDITIONAL INFORMATION: Peggy A. Trent, County & Prosecuting Attorney

REVIEWED BY:

Assessor: _____

Attorney: _____

Clerk: _____

Coroner: _____

Information Technology: _____

Fire Warden: _____

Grant Manager: _____

Planning: _____

Public Health: _____

Road & Bridge: _____

Sheriff: _____

Treasurer: _____

Clerk of Court: _____

GIS: _____

RESOLUTION NO. 2017-11

RESOLUTION APPROVING AND CONSENTING TO ALBANY COUNTY SPECIAL HOSPITAL DISTRICT D/B/A/ IVINSON MEMORIAL HOSPITAL LEASING THE OPERATION OF THE HOSPITAL TO IVINSON MEMORIAL HOSPITAL, A WYOMING NONPROFIT CORPORATION

WHEREAS, the Albany County Special Hospital District (the “District”) is a body corporate created pursuant to Wyo. Stat. § 35-2-401 et seq. and owns and operates Ivinson Memorial Hospital, a general acute care hospital located in Laramie, Wyoming and other health care businesses and assets that are incident to the operation of the Hospital by the District.

WHEREAS, the Board of Trustees of District has determined following many months of analysis, public input and consultation with health care experts that it is in the best interest of the residents of the Hospital service area including Albany County, Wyoming to enter into an agreement for the lease and to contract for the operation of the hospital so as to transfer the responsibility to conduct hospital operations to a Wyoming nonprofit corporation and a benefit to the District as follows: 1. Increase ability to provide sustained quality of care by: i. better engaging physicians in clinical strategy and dialogue; ii. better able to keep services needed in Albany County; iii. better able to recruit and retain physicians in the community. 2. Enhance Ivinson Memorial Hospital’s long term competitive position by keeping medical services to local residents in the Ivinson network. 3. Increase the financial sustainability for Albany County by providing a net increase in 96 jobs locally. 4. To expand services and the service area outside the current District boundary; 5. To improve Board diversity to reflect the community and provide specific skills to the board, including: i. physicians; ii. health professionals; iii. specific board skill sets; iv. diversity to represent patients/community served. 6. To improve Board and management accountability and efficiency by following best practices for health care organizations. 7. To allow the Board to better focus on the ten widely recognized responsibilities of healthcare governance the Board considered in the AHA survey, and to hold board members accountable for these responsibilities. and 8. To protect and enhance IMH as a community asset that is crucial for local economic growth and development, without losing local control.

WHEREAS, Ivinson Memorial Hospital (the “Nonprofit Corporation”) was formed independent of the District as a Wyoming nonprofit corporation in compliance with the Wyoming Nonprofit Corporation Act, Wyo. Stat. §17-19-101 et seq. and has obtained recognition by IRS as a 501(c)(3) tax exempt nonprofit status.

WHEREAS, the governing board of Nonprofit Corporation is a 9 to 14-member board of directors and the CEO of the Ivinson Memorial Hospital will serve as one of the board members as an “ex-officio” member.

WHEREAS, the District desires to lease, transfer, convey and assign the operational rights and obligations related to the hospital operations to the Nonprofit Corporation.

WHEREAS, Wyo. Stat. § 18-8-108(a) provides that whenever the Board of Trustees of a Special Hospital District deems it in the best interests of the county they may with the approval and consent of the board of county commissioners lease or enter into a contract for the operation of the hospital with any person, group, association or corporation.

WHEREAS, pursuant to Wyo. Stat. § 18-8-108 (a), the District lease with the Nonprofit Corporation must contain the following conditions:

1. The lessee must provide, without charge, to residents of the county certified by the county health officer or county department of public assistance and social services as having no means to pay for the same, all necessary facilities and maintenance during the time such persons are required to remain there for proper treatment.
2. The board of trustees must reimburse the “lessee or operator for the hospitalization of above indigent persons at rates agreed upon between the board and the operator or lessee, with such reimbursement to be made from funds the board has under its control or made available to it by the board of county commissioner.”
3. “The lessee or operator of the hospital shall furnish the board of trustee’s semiannual reports showing the financial condition of the hospital and all monies received and expended.”

WHEREAS, under the proposed Lease Agreement between the District and the Nonprofit Corporation, the terms of the lease addresses the statutory requirements as outlined in Wyo. Stat. § 18-8-108 (a), and the transactions contemplated by the lease appear to be a benefit to the District and the population served by the District and the terms of the lease and length of the term and obligation of the Nonprofit Corporation to return the hospital operations back to the district at the end of the term of 40 years are necessary in order to provide sufficient operational certainty and operational authority and in order to receive the intended benefit of the lease.

NOW THEREFORE, THE BOARD OF COUNTY COMMISSIONERS HEREBY RESOLVES:

Section 1. That the foregoing recitals are incorporated in and made a part of this resolution by this reference.

Section 2. That based on the Board of Trustees of the Albany County Special Hospital District determination that it is in the best interests of the County for all the reasons enumerated herein, the Board of County Commissioners for Albany County hereby approve and consent, pursuant to Wyo. Stat. § 18-8-108 (a), to Albany County Special Hospital Districts’ leasing the operation of the hospital to Ivinson Memorial Hospital, a Wyoming nonprofit corporation.

Section 3. That the Parties enter into a memorandum of understanding for communication between the parties should the County have any concerns as to whether the District is meeting their statutory obligations relating to the leasing of the operation of the hospital to Ivinson Memorial

Hospital, a Wyoming nonprofit corporation. A copy of the memorandum of understanding between the County and the District is marked Exhibit A and is attached hereto and incorporated herein.

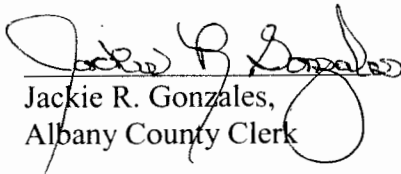
PASSED, APPROVED, AND ADOPTED, this 18th day of July, 2017.

**BOARD OF COUNTY COMMISSIONERS
OF ALBANY COUNTY, WYOMING**



Tim Chesnut, Chairperson

ATTEST:



Jackie R. Gonzales,
Albany County Clerk

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (this “Memorandum”) is entered into this 18th day of July 2017 and confirms the intent and understanding of Albany County Hospital District, a body corporate created pursuant to W.S. § 35-2-401 *et seq.* (the “District”) and Board of County Commissioners (the “County Commissioners”) of Albany County, Wyoming (the “County”) concerning that certain Hospital Operating Lease Agreement (the “Lease”) between the District and Ivinson Memorial Hospital, a Wyoming nonprofit corporation (the “Corporation”).

BACKGROUND

On or about the date hereof, the District and Corporation entered into that certain Lease whereby, among other things, the Board of Trustees of the District (the “District Board”) determined, following many months of analysis, public input and consultation with health care experts, that it was in the best interests of the residents of the Hospital service area, including those located within County, and the County itself, to lease and contract for the operation of the Ivinson Memorial Hospital (the “Hospital”) so as to transfer the responsibility to conduct Hospital operations.

As required under W.S. § 18-8-108(a), the Corporation is required to furnish, without charge, to residents of the County certified by the County health officer or County department of public assistance and social services as having no means to pay for the same, “all necessary facilities and maintenance during the time such persons are required to remain there for proper treatment.”

As required under W.S. § 18-8-108(a), the Corporation, the board of trustees of the District must reimburse the “lessee or operator for the hospitalization of above indigent persons at rates agreed upon between the board and the operator or lessee, with such reimbursement to be made from funds the board has under its control or made available to it by the board of county commissioners.”

As required under W.S. § 18-8-108(a), “The lessee or operator of the hospital shall furnish the board of trustee’s [of the District] semiannual reports showing the financial condition of the hospital and all monies received and expended.”

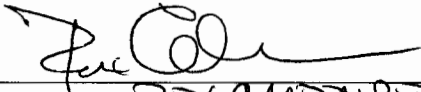
UNDERSTANDING AND AGREEMENT

The District shall provide the semiannual reports from the Corporation to the County Commissioners. In the event the County Commissioners become concerned with the financial status of the Hospital or the quality of care provided by the Hospital or whether the Hospital is meeting the above described statutory obligations, then at the request of the County Commissioners once in any 12 month period, the District will inquire such matters with the Corporation and discuss the results of such inquiries with the County Commissioners. As a separate governmental instrumentality with a specific scope of authorities and duties granted to it by the State of Wyoming, the District retains its inherent authority under the applicable statutes and the Lease as the lessor and counterparty to the Corporation in connection with the Lease, and the District retains its separate statutory authority to enforce the provisions of the Lease against the Corporation, as delegated under the statutes to the District.

[Signature Page to Follow]


DISTRICT:

ALBANY COUNTY HOSPITAL DISTRICT

By: 
Name: REX GANTZEN
Title: VICE-CHAIR

COUNTY:

ALBANY COUNTY

By: 
Name: Tom Chesnut
Title: County Commissioner