

**But how do we pay for it (the proposed new hospital)?** A valid question and one that each of us must answer based on the facts and information available now. A very informed team, with expertise in different areas, was assembled by Valley County Health System to develop a comprehensive plan, with affordability as a top priority, to consider replacement of the Hospital. Kurt J. Mournal, CPA of Dohman Akerlund & Eddy with many years experience working with rural hospitals, Medicare, and Critical Access reimbursement was asked to provide the debt analysis for the replacement of the hospital/clinic in Valley County. His analysis shows the debt service on the bonds to be approximately \$1,500,000 per year. Revenues to service this debt would then come from annual operating profits of \$500,000, (based on current operating profits) combined with annual Medicare Critical Access reimbursements on the new building of approximately \$1,100,000, resulting in total revenues of 1.6 million and a positive cash flow of \$100,000. The cash flow projection shows that no tax dollars will be needed to service the debt. The business proposal is as strong, or stronger than most proposals presented to lending committees every day, (repayment based on historical profits and government reimbursements).

**What about Medicare?** Will it be around? Another valid question that quite frankly no one can answer, but we can make our decisions based on the best information and indicators available at the time. The Medicare Critical Access program is a valid ongoing program that continues to assure adequate health care in rural America; a program that is necessary and well received, Medicare is, in some ways, similar to the Farm Program Payments that have played such an important role in the cash flows of our farmers. There have been times when the only way the farm cash flow worked was by factoring in the continued receipt of farm payments. Should we quit farming based on the fear that those payments might go away? It would seem to us that this same reasoning could be applied to the question regarding the continuation of Medicare and health care in rural America. Like the Farm Program Payments, it is highly unlikely that Medicare is going to go away in the foreseeable future.

**When Will “It” End?** Our hope is that there will always be citizens willing to dedicate their time and passion for the preservation and advancement of this community and the surrounding area served by it. **Planning for our future and future generations should never end!**

Let’s show our belief in a positive future by voting FOR the hospital bond issue.

Gary and Pam Garnick