Teton Valley Health Care

[address redacted]
[address redacted]

08/18/2025

Re: Property conveyance proposal

Dear Teton County Commissioners,

We appreciate your willingness to entertain a proposal from us concerning the conveyance of the buildings and property TVHC currently relies on for our operations. I believe we, the County and TVHC, share the same understanding of Idaho Code § 31-3508 which permits the County to convey property to TVHC so long as we continue operating as a nonprofit hospital.

According to the Center for Healthcare Quality & Payment Reform, "In the majority of states, over 25% of rural hospitals are at risk of closing, and in 11 states, 50% or more are at risk." (https://chqpr.org/downloads/Rural_Hospitals_at_Risk_of_Closing.pdf). This was written in June 2025, prior to any of the promised reimbursement reductions resulting from H.R. 1 (One Big Beautiful Bill Act) and the loss of reimbursement received from Idaho Medicaid's cancellation of the Healthy Connections program, effective January 2026. From October 2021 to October 2024 inflation in healthcare delivery costs was 14.1%, while reimbursement increases average 5.1% (https://www.aha.org/costsofcaring). TVHC is certainly feeling the effects of these economic forces as we work hard to turn our operations positive and make our community hospital viable.

We believe we are at a critical point at TVHC. As the population in our County grows, we have seen demand for our services grow. We are faced with aging equipment and inadequate facilities, which if we don't address soon, will result in our community members leaving town for services we offer here. Despite the great efforts and progress being made, we simply do not have the cash to address our equipment and facility needs. Borrowing from commercial lenders does not appear to be an option as our attempts have failed. Our efforts to look for grants on behalf of the County as the owners of the Hospital property have come up empty. As explained in the letter sent in July, we have to rely on donors and grants to get our improvements made as we cannot afford to take on debt payments.

We also understand, at least superficially, the County is under financial pressure. It is not our desire to add more pressure with our request to have Hospital property conveyed to us. In fact, we believe that a growing, thriving hospital run by local decision-makers adds a lot of value to our County as it will keep people engaged in our local economy in meaningful ways.

To keep the County from financial harm and to give TVHC the freedom to improve our facilities and equipment, we propose that Teton conveys the property being used for all TVHC

[phone redacted]
tvhcare.org

operations, fee simple, to TVHC in accordance with Idaho Code § 31-3508. TVHC will pay Teton County a transfer price of $70,000 per year over the next 10-years, at which point payments would stop. We also propose that Payment 2 described in Schedule 2 of our current Liquid Asset Transfer Agreement of 5% of any annual "Excess of Operating Revenues over Expenses" be ended. TVHC has not produced an operating profit in some time, so our assumption is this would not result in a loss of County revenue. Further, TVHC will need all positive operating proceeds to support our needs going forward.

We sincerely appreciate your willingness to consider this proposal, and we look forward to discussing it further when we meet on 8/25.

Best regards,



Troy Christensen, CEO

[phone redacted]
tvhcare.org