

**PARK COUNTY, COLORADO
BOARD OF COUNTY COMMISSIONERS
Resolution No. 2024- 22**

**A RESOLUTION DISAPPROVING THE SERVICE PLAN FOR THE PROPOSED
PLATTE CANYON HEALTH SERVICE DISTRICT**

WHEREAS, the Board of County Commissioners of the County of Park, Colorado, is vested by Section 32-19-101, *et seq.*, with the authority to consider and approve Service Plans for proposed health service districts; and

WHEREAS, pursuant to Section 32-1-204, a Service Plan concerning the proposed Platte Canyon Health Service District (the "District") was filed with the County on April 4, 2024, which Service Plan was then revised and resubmitted on April 15, 2024 and further revised and resubmitted on May 13; and

WHEREAS, at a special meeting of the Park County Board of County Commissioners held on May 14, 2024, preceded by the public notice required by Section 32-19-108(1), the Board of County Commissioners conducted a public hearing on the proposed Service Plan, at which it heard all of the testimony and statements of the Applicants, those present and those attending online via Zoom who commented, and studied the proposed Service Plan and exhibits; and

WHEREAS, the Board of County Commissioners closed the public comment portion of the hearing and continued the matter to its regularly scheduled public meeting on May 21, 2024 for Board deliberation, Board comments, and motions; and

WHEREAS, the Board of County Commissioners completed the public hearing on May 21, 2024; and

WHEREAS, the Board of County Commissioners has reviewed the Service Plan and considered the criteria set forth in Section 32-1-203(2), C.R.S. and finds that the proposed Service Plan does not meet said criteria.

NOW THEREFORE, BE IT RESOLVED THAT THE PARK COUNTY BOARD OF COUNTY COMMISSIONERS HEREBY determines and finds that the proposed Service Plan for the Platte Canyon Health Service District is disapproved because it has not been demonstrated by clear and convincing evidence that the Service Plan meets the criteria set forth in Section 32-1-203(2), C.R.S.

Pursuant to Section 32-1-204.5(1), C.R.S., the Board of County Commissioners shall disapprove the Service Plan unless evidence satisfactory to the Board of each of the following is presented:

- a. There is sufficient existing and projected need for organized service in the area to be served by the Districts; and

b. The existing service in the area to be served by the Districts is inadequate for present and projected needs; and

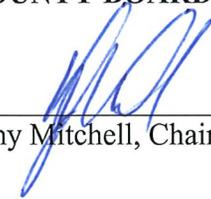
c. The Districts are capable of providing economical and sufficient service to the area within their proposed boundaries; and

d. The area to be included in the Districts does have, and will have, the financial ability to discharge the proposed indebtedness on a reasonable basis.

The specific detailed reasons supporting the disapproval are set forth on the attached **Exhibit A** and are adopted hereby as the Board's specific detailed reasons for such disapproval.

Moved, seconded, and passed this 4 day of June, 2024.

PARK COUNTY BOARD OF COUNTY COMMISSIONERS



Amy Mitchell, Chairperson

ATTEST:



~~County Clerk~~ Deputy clerk

Amy Mitchell, Chair	<u>X</u>	Yes	<u> </u>	No
Richard Elsner	<u> </u>	Yes	<u>X</u>	No
Dave Wissel	<u>X</u>	Yes	<u> </u>	No

EXHIBIT A

May 21, 2024 Park County - Board of County Commissioners Meeting

Section 32-1-203(2), C.R.S. requires that the Board shall disapprove a special district service plan unless evidence satisfactory to the Board of each of the following criteria is presented:

Criteria No. 1: There is sufficient existing and projecting need for organized services in the area to be serviced by the proposed special district.

Commissioner Mitchell at 1:25:34:

I am not convinced that there is need. 91% of our population has health insurance. That means they are getting treatment from doctors. When you have health insurance you normally get your own primary care physician, you set up where you're going to get service based on what plan you have. I asked about data on how many people who have a current doctor are willing and open to changing doctors to the local clinic, and there was no information known by the applicants. I don't believe people want to change their doctors – there is a level of trust that is formed with a doctor, the relationship is important. I don't believe convenience is going to outweigh people's relationship with their current doctor. Additionally, there was no estimate in the budget on the number of patients that would be served for \$250,000 for 2025, the start-up year, which I do not believe is realistic. I do not think they will be in operation since no infrastructure exists at this point.

Criteria No. 2: The existing service in the area to be served by the proposed special district is inadequate for present and projected needs.

Commissioner Mitchell at 1:28:39:

This is...we're talking about the service plan, and the service plan creates a building agreement between the special district and the approving authority, that's us, the BOCC. It is our responsibility to make sure there is enough information in this plan for people to have confidence, for me to have confidence, that taxpayer dollars are going to be used well. It is not clear, I do not see, a timeline of how, when and what will be provided. I still contend Stride, I talked to Stride months ago when this came up last summer, and they said that they are looking for new patients. That they would love to be open five days a week to be able to treat more people, but they are not getting the patients, there is not the demand. So, I contend, 12 miles away, which is nothing for people who live in Park County to drive, and they already have a functioning facility, they have the structure to accept all insurance including Medicare, Medicaid, and are a nonprofit that can take care of someone who has no insurance – they've already got it all. I contend that a relationship with them, to be able to make that facility more accessible, with increasing the number of open days, by helping educate people in the northeast area of the County to be able to use that facility, would be a win-win and it would not cost the taxpayers any money.

Commissioner Mitchell at 1:33:15 (following comments from Commissioner Elsner):

First of all, Stride is funded without a new tax being levied upon residents of Park County, it's already funded. If people aren't using Stride that means they are not willing to change their doctor with whatever they are doing now, so I still contend...Commissioner...you really don't need to rebut everything because we all are allowed to believe and think the way we think, that's why people elect us to do this job.

Criteria No. 3: The proposed special district is capable of providing economical and sufficient services to the area within its proposed boundaries.

Commissioner Mitchell at 1:35:

The CHAPS 2023 plan was used extensively, but there was one part that was omitted – it says that Park County does not have the infrastructure or population to support health care providers. That is what happened up here in Fairplay – they already had an existing clinic; they had an infrastructure already established with a building that had already been funded. I believe the economical and sufficient services in the area, okay, the plan, the plan does not provide when it's going to be in operation. It does not make any commitment to a start-up date. There are no dates, there no estimates, there is nothing that a taxpayer could say “okay if I approve this, I know I'm going to be able to go to a doctor in 2026.” The budget says next year, 2025, they're going to make \$250,000 from patients, from seeing patients, but there is no time of when the clinic is going to be open, there is no estimate on the number of patients. All the numbers on this budget do not have any backup, there are no bids, no estimates, no anything, it's just numbers on a piece of paper. If they're going to start receiving taxpayer dollars in 2025, they will need to get a building, to remodel and build the building out. They are a start-up and have no existing foundation. The challenge to find a doctor, we know how hard of a time they had trying to find a doctor in Fairplay for years. And then they're also going to get \$250,000 worth of patients, but then in 2026 they're only going to do \$50,000 more to \$300,000 in patients. I don't understand – these numbers, to me they are not real. It is my responsibility to make sure this plan is sound and understandable and that it purports a good, sound use of tax dollars that will be used forever, and that is where I've got a real big problem.

Commissioner Mithcell at 1:43 (following comments from Commissioner Elsner):

Well, thank you for confirming the 2025 line item – fees for services – is probably not accurate, since nothing will be started up anytime in 2025.

Criteria No. 4: The area to be included in the proposed special district has, or will have, the financial ability to discharge the proposed indebtedness on a reasonable basis.

Commissioner Mitchell at 1:44:35:

Okay, and um, financial ability to honor the commitment to the taxpayers – I still go back to the proposed budget. I believe that these are just numbers pulled out of thin air. Half a million dollars for district services – there’s no detail, reading this I really don’t know what is going to be done and I cannot approve something that I do not have confidence in how taxpayer dollars are going to be utilized. I think the budget lacks detail, the plan lacks detail. The plan...start-up...okay, okay, you can have any type of conversation as a person to an entity saying “we are looking at the idea of forming this district, we are trying to figure out what’s going to be the best plan for this area within the County, if we succeeded, would there be interest?” That is not unethical, there is nothing wrong with having any type of conversation saying, “if we could, would you be interested?” And it looks like none of that has been discussed, because there is no indication – the plan has “we may”, “we might”, “we could” and to me that is not what you base approval of a tax going to the voters.

Commissioner Mitchell at 1:50:15 (following comments from Commissioner Elsner):

I’m going to read out of the plan. “Over time the District hopes to extend medical care throughout the Service Area. This may include the lease, purchase, or design and construction of health care facilities. While the District reserves the authority to finance such facilities via bonds or lease purchase arrangements, the most likely scenario is that such facilities would be modest and paid for with existing revenues.” But they’re all “mays”, “hopes” and “wishes”, and they’re indebting the taxpayer, they’re going to be collecting taxpayer money for who knows how long until anything is delivered to any person who paid the tax. And that is indebting the taxpayer.

**RESPONSE TO THE PROPOSED NORTHEAST PARK COUNTY HEALTH SERVICES DISTRICT SERVICE PLAN 4/4/2024
COMMISSIONER DAVE WISSEL**

PUBLIC STATEMENT:

I want to offer my sincere gratitude to the applicant committee for all their time, effort, and energy placed into the proposed Service Plan. I admire your determination, and the data and information you have provided.

The State law that guides the formation of new governmental units, specific to Title 32, Special Service District, is purposely vague and non-specific in the details required of a new proposed service entity. While the law is broad in the items of “merit”, of a proposed plan to provide medical services to the borders of School District RE-1. Unfortunately, I find the application lacking in detail and information the residents deserve to hear before the District is created. This process is backwards, in my opinion. How can you create a tax authority into infinity without the details first?

The publication “Special District Service Plans”, as provided to the public by the Colorado Department of Local Affairs, is an overview of the process of creating new, tax supported (both property and sales tax), governmental units. This request is to create a sales tax supporting funding for a health district provider in perpetuity.

It offers a suggestion I find helpful. It recommends a formal process be adopted by an entity like the County. To formalize the process and procedure used / needed to form a new governance unit within our borders. It would also apply to multi-county districts, as we have several today. In this framework, a process would be used like a land use application, or liquor license application. Known factors of content and data sets would be stated, identified, and listed for a completed application.

However, the County and the Applicant need to know what the basic components of information, data, financial projections, (real or imagined), location of services and any other pertinent information needed to satisfy this basic question. Is this service needed and necessary for the reasons stated in the Service Plan Application?

I would like to propose we take under advisement the suggestions of creating a formal process to use in future Newly Created Tax Supported Districts / Entities / Taxing Authorities. This can be included in our existing land use review and land use regulation updates. This is long overdue, and I believe it will help both the public, the Applicants, and the Commissioners arrive at a fair and reasonable conclusion, and a correct decision. I wish it was in force for this application. One of the opponents supplied this information. Not even our County Attorney offered advice, to my dismay, in advance of the hearing. Only a short 2-page memo as County Attorney the day prior to the hearing.

Perhaps her role as the legal counsel to the South Park Health Services District was a factor? I specifically requested her comments in advance of the 5/14 hearing for any potential conflicts of interest, due to this dual role. She assured me there was none. I felt we were not supplied with all the options in front of us before we began hearing testimony. I hope to have these factors addressed today; in the detail I desire.

In my prior role in Park County, as Assessor, I have first-hand experience of the entire County. I have learned over 4 decades the differences between our unique and diverse areas and regions. The North Fork of the South Platte, Platte Canyon, Bailey, School District RE-1, are all terms I use to point to this greater location. I have personal knowledge of the land, the buildings, and the properties in most areas of our great places. I continue to research commercial market data, as I hope to return to the field, I have 3 decades of education and experience. Both in the public and private sectors.

I have been trained to input significant types, varieties, and forms of data into a conclusion of my analysis of the data and my observations. I arrive at a professional opinion, based upon the facts. My bias is removed, to the extent it is possible, and my final opinion of value is one I can support, professionally defend, and believe in.

I have proven these skills for 4 decades as an elected official in Park County. I don't believe I can or will deviate from my normal course of intake of information, processing the content and validity, and arrive at a sound conclusion.

This outcome is a basic business decision. Is there enough taxpayer subsidy to entice a private or public health provider individual or organization to locate in Platte Canyon? Is \$1M enough of a honeypot of yearly taxpayer money to provide the "non-market expenses" for their expansion or location? What about a new provider, who needs a hand up? What about the part-time Stride clinic in Conifer? Perhaps another day in Park County could be negotiated in advance of a new District?

How long will the process demand to become operational as envisioned? It is a fair question, and the proponents projected the first quarter of 2026. That may be reasonable for a timetable. It may take into the first quarter of 2027. It may be longer than that? I agree the future is unpredictable. When I saw the original financial calculations, included with the original application supplied to the County Clerk on 4/4/2024, it appeared out of line to my Matha phobic recovery process. When one of the opponents clearly pointed it the obvious errors, it was changed 2 days prior to our hearing on May 14th. That did not provide additional confidence in the application. I recognize a difficult task is to project nothing in existence into a future it may not achieve. However, speculation in good faith is not a crime. It is what it is, a thoughtful guess.

The difference between the application statements, and with supporting documentation not provided, for sales tax projected income. My analysis, which I discussed at our hearing, indicates a greater amount than \$800,000 per year. Their own projections indicate a \$900,000 income from sales tax in year 2? Based upon what additional data or insights? It appears a greater amount is more likely than not. The voters deserve to know in advance of the question being asked.

Our family has lived in Park County for 45 years. We spent 8 years with our youngest special needs son Dominic attending the Platte Canyon School District. He graduated with his peers in 2013 and left the school at age 21 in 2015. We are blessed and forever humbled and honored by the love and support shown to us while he was in school. He had the best educational experience we could provide. The good people of Platte Canyon helped us succeed. We love the folks there, and always will.

We know people across this County. Those people in Platte Canyon we know and respect, are all against this proposal. Every single one. In the current application, they like me, have more questions than answers. I am relying on their opinions, and expressions of “too much, too fast, too few facts”. I agree with their conclusions. I cannot and will not vote to approve the application. In conclusion, I find it lacking in the details necessary to approve in the present form.

I recognize the Committee expressed their pride multiple times in providing as little information as the law requires. The law is vague, so were they. I expected more facts, figures, and comparisons to the existing 2 HSD’s operating in Park County? Why not make comparisons to the new contract to bring HRRMC (Heart of the Rockies Regional Medical Center, Salida) into the South Park Health Service District? They have been our regular PCP / health care providers since 2017. A great fit for Fairplay, likely not for Bailey, in my opinion. How was the contract finalized? What are their experiences?

How does the Ute Pass HSD operate? We are aware of a mill levy (ambulance services to Lake George Fire, and mental health crisis intervention County wide until 2025). Do they also use a sales tax base to augment the mill levy? This Service Plan mentions a possible property tax. If you are going to in the future add a property tax, say so. The lack of existing local HSD’s comparable data was disappointing to me.

We heard testimony from both sides about the need for food security and senior transportation services. Both for business and health related care. I am aware that our Human Services offers travel / mileage vouchers for health care and other need-based visits? How to address the lack of food availability locally in Platte Canyon. I suggest organizing and creating a travel assistance group to address those needs now and into the future.

I believe the success of the Fairplay model was that a non-profit organization was formed well before formal medical services were provided in their current form. I also suggest your first step would be to regroup and move toward creation of a community-based health care not for profit entity. Use those advantages to better determine the possible partners to provide the stated goals – consistent, full time medical care? Is that possible, or economically sustainable in the next 5 years? Where is the health care market? Where is technology headed with each passing year? In my own research, the market for healthcare is the entire Highway 285 corridor. That stretches from Kenosha Pass to Conifer. I believe the Ute Pass model, based upon limited knowledge, is to have a multi-county approach. Their service is in a part of, or all of 4 counties. El Paso, Douglas, Teller, and Park. Why not include all of Platte Canyon down to Conifer?

Existing health facilities are there for a market-based reason. They were established and developed over time. At some point, all service industry providers are limited in capacity. Conifer is an example of their limitations.

Our regional rural community has grown exponentially during these past 30 years. Why have those medical market forces ignored Park County? I do not believe it is economically feasible to operate a market based commercial enterprise. If so, someone would be operating historically since the loss of the last local "regular" health care in 2012.

We heard testimony from seasoned health care professionals, and their business plans. The costs of operation were consistently 2 to 3 times more expensive than their projections. With our upward trending inflation and shrink-flation, who could predict supply chains let alone any credible price predictions.

If this was a business plan offered to a lender, it wouldn't stand the first page of review before being asked to leave. If I were to submit as a work product an appraisal product with so little information critical to the District, I would be subject to an ethics violation. No plans for the allocation of funds for staffing, administration, and leadership positions. I heard the applicant stated this would be a futile exercise. I recognize the difficulty. I believe taxpayers need to know basic financial facts at this point. The Applicants owe their neighbors that information too before the District is created. Then it is too late, the deed is done.

With all these factors considered, analyzed by myself, I also listened to the 5/14 meeting from beginning to end before I captured my comments on paper.

CONCLUSIONS:

I find the proposed service plan does not meet the requirements of the law as stated in our County Attorney memo;

Section 32-1-203(2), requires the Board shall disapprove of a special district service plan unless evidence is satisfactory to the Board each of the following criteria is presented:

- a. There is sufficient existing and projecting need for organized services in the area to be service by the proposed special district:

Reply: The proposed service plan area is too small for the health care market I observed. Just like all other goods and services, we adapt to those providers who can supply our needs. Healthcare and other factors of living our life. The proposed District borders should include a portion of unincorporated Jefferson County, towards and including the community of Conifer and environs.

- b. The existing service plan is the area to be served by the proposed special district is inadequate for present and projected needs.

Reply: This service plan does not address the needs of the larger health care, commodity-based market area community. Our political subdivision line is not the only solution to this

problem. I find this a multi-county solution, including Jefferson County rural areas too. Perhaps looking at other portions of Douglas would be worth the effort?

- c. The proposed special district is capable of providing economical and sufficient services to the are within its proposed boundaries: and

Reply: The applicants have attempted to paint a pretty picture of their plans. These are based upon public data primarily from our County Health Department. These are data with historic data used from the pre-COVID era. When this plan was presented to us last year, I sensed it would appear again in an application like this one.

This is a gathering of groups and other local governments who have worked together for their self-benefit(s). Each one of the listed “partner” organizations are feeding off one another’s assets and income streams.

This is a group of governments conspiring to create more government funding into perpetuity. This is just another attempt to fool the voters about the true intent of these funds. This is forcing ALL residents of the proposed service plan to pay for the few who will use it. Plain and simple to me.

Is it for primary care or is it really a shield from the State sponsored push for progressive causes? All / each of the 20 proponents is a progressive leaning individual, in my observations. That does not provide confidence for me that the true primary purpose is fully disclosed. These factors also contributed / provided me further pause that the truth has not surfaced to date.

- d. The area to be included in the proposed special district has, or will have, the financial ability to discharge the proposed indebtedness on a reasonable basis.

Reply: Again, I believe the proposed Service Plan Application falls short of the critical necessary analysis of the area to be served. Markets are not generally defined by political boundaries. It is clear to me that the additional area of Jefferson County, and perhaps a portion of Douglas, would benefit those citizens and their similar struggles with health care services.

From my personal experience, we as a family have done the necessary work and search for our health care providers. We have specialists in Denver and other places. We assume the personal responsibility to address our needs as individuals and a family in the best interests of our well-being.

I fully respect the reality of un and under-insured residents across our land. We must continue to address these realities into the future in all areas of our great place. Platte Canyon is like the rest of Park County, and our collective path to adequate health care and a life of fulfillment.

Use these suggestions and recommendations as constructive criticism. Re-arrange your plans, provide estimated financials with greater detail (and correct math), outreach to existing medical providers and seek a conversation with them. Lastly, who are the members of your committee? We never were told, and I forgot to ask. Who has funded the committee to date, and to what amount?