

# USDA approval – what's next for the Hospital District?

By Robert Galbreath, rgalbreath@subletteexaminer.com

**SUBLETTE COUNTY** – Sublette County Hospital District (SCHD) administrator Dave Doorn delivered a final update to the Board of Trustees on the status of the district's \$32-million loan application through the U.S. Department of Agriculture (USDA) to build a hospital – “approved.”

The SCHD board got down to business to tackle the next steps as trustees met for the first time since receiving news of the USDA's acceptance on July 27.

**Out to bid**

The bidding process for the critical access hospital and long-term care facility is already underway, Doorn reported, with proposals due on Aug. 3. Layton Construction, the district's construction manager and general contractor, hosted a pre-bid roundtable on Monday, July 25.

During the meeting, Chris McNamara, estimator for Layton Construction, fielded questions from bidders and outlined the preliminary construction timetable.

Layton planned to move enough earth beginning this September to create a “pad ready site” by November 2022, according to McNamara. Contractors will hit pause over the winter before picking back up the following spring on foundation and vertical structure work, he added.

Mechanical, electrical and plumbing work is expected to commence in June 2023 with substantial completion on the new healthcare campus slated for June 2024, McNamara said.

Layton is going the extra mile to attract “as many bids as possible,” including fielding six employees to solicit companies each day, Doorn told trustees on July 27. The general contractor received a “good response,” with companies submitting bids for all aspects of the project from maintenance to electrical, Doorn explained.

Doorn affirmed Layton and the district will collaborate to get the best value at the lowest prices as bids arrive. The team also committed to including as many local companies as possible.

The district hopes to have a gross maximum price for the entire project by Aug. 23, Doorn said.

Layton will “pore through every bid, cover every component” and negotiate with each prospective company to determine the gross maximum price, explained Mike Hunsaker, chief operating officer for the district and its managing partner, Star Valley Health.

Formulating a gross maximum price typically takes several weeks, Hunsaker said. Once the figure is determined, the general contractor will begin the selection procedure for bidders based on criteria from the

lowest cost to the number of lawsuits filed against a company.

If the gross maximum price comes in high, the district can conduct additional rounds of value added engineering to cut costs, Hunsaker explained.

Potential contractors and subcontractors are bidding for both the critical access hospital and long-term care facility as one project, Doorn clarified. The accounting will remain separate between the wings to ensure hospital invoices go through the USDA while the county receives financial documents for the long-term care end.

The SCHD is making progress with the Town of Pinedale to obtain demolition permits to tear down the Public Health building and the concession stand at the old ballfields, Doorn said.

The Sublette County Board of Commissioners voted unanimously at its July 19 meeting to waive the dump fees for construction and demolition materials produced by the work.

Doorn also confirmed the removal of maintenance equipment from an auxiliary building at the Sublette Center to make room for Public Health. He credited Kari DeWitt, SCHD public relations director, for organizing the move.

**Financial goals**

The hospital district finished the fiscal year in a good position, reported trustee Dave Bell, a member of the board's finance committee.

The SCHD budgeted for a loss as the 2021-2022 fiscal year came to a close, Bell added. The deficit, minus capital expenditure, came out to only \$200,000, “significantly better than forecast,” Bell told the board.

Bell credited SCHD staff and administration for lowering expenses, improving efficiency and remaining conscientious on spending.

As the district moves into the construction phase, the agency's reserves are worth approximately \$6 million, according to Bell. He encouraged the board and district to maintain conservative spending habits to increase the reserve amount to \$10 million by the summer of 2024.

An additional \$4 million in reserves will act as a financial buffer during the roughly 18 months between substantial completion of the hospital and the facility's designation as a critical access hospital, Bell explained. Once the hospital receives critical access certification, the district can begin to draw on higher reimbursement rates from Medicare and Medicaid.

The SCHD and Sublette Center are in the process of integrating their accounting systems and financial statements in preparation for the merger between the agencies, Bell continued.



ROBERT GALBREATH PHOTO

The Public Health Building and Pinedale Clinic on top of the hill. The new critical access hospital and long-term care facility will soon replace the Public Health building.

**Merger**

The SCHD and Sublette Center are “dangerously close to getting a merger agreement signed,” stated Abigail Forwood, the SCHD's attorney, on July 27.

A draft agreement was put on hold as the district and Sublette Center waited for news from the USDA, Forwood explained. The moment the USDA announced its approval, there was a “flurry of emails and discussions” between lawyers for both parties as negotiations picked back up, she added.

SCHD Chairwoman Tonia Hoffman hoped to have a final merger document ready for the Aug. 2 commissioner meeting along with a completed transfer agreement. Lorraine Werner, community programs director for the USDA in Casper, is planning to attend the meeting, Hoffman said.

The commissioners expressed desire at their July 19 meeting for a merger as soon as possible, Doorn stated. The unification of the Sublette Center and SCHD is the next step that will “trigger” the transfer agreement and the \$20-million pledge from the commissioners to fund the long-term care facility, he explained.

Hoffman emphasized the district's goal to make the transition for the Sublette Center seamless, maintaining a “business as usual” environment for employees and administration. The district did not intend to make changes to the Sublette Center's management, operations or staffing, she reassured.

Hunsaker said Doorn and the Sublette Center's administrator, Dawn Walker, were in constant communication to ensure a smooth adjustment period for staff and residents at the center. He expressed a desire to complete the merger before the end of the year to ensure all employees receive the same health care insurance.

**Discussion regarding urgent care in Marbleton-Big Piney**

Hoffman asked Doorn and Hunsaker about prospects for extending urgent care to the Marbleton-Big Piney Clinic, allowing the facility to stay open for 12 hours.

The Pinedale Clinic recently expanded its hours to include urgent care from 7 a.m. to 7 p.m. Front desk staff staggered shifts and nurses went to a 12-hour shift in Pinedale, Doorn said. Laboratory and X-ray technicians are on call during urgent-care hours.








Staffing remained the top hurdle to expanding hours in Marbleton, Doorn explained. The Marbleton-Big Piney Clinic fielded a single radiology technician, one full-time lab technician and a part-time lab technician, making 12-hour shifts difficult, he added.

Hunsaker recommended the board grant him time to analyze visits and staff needs with Doorn at the Pinedale Clinic to develop a plan for the Marbleton-Big Piney Clinic.

Vicky Marshall, director of nursing, was monitoring the number of urgent-care visits at the Pinedale Clinic, Doorn added, and he hoped to have figures for the board at its next meeting.

## Weather for Sublette County, WY

Aug. 2 - Aug 8

Today	Wed	Thurs	Fri	Sat	Sun	Mon
 <div style="font-size: 2em; font-weight: bold; margin-top: 5px;">72° 45°</div>						
Precip: 40% Wind: WNW 12 mph UV Index: 4 Moderate	80° 45°	84° 50°	76° 48°	78° 49°	78° 44°	80° 45°