04/04/2024 HEALTH SERVICE PLAN

A Proposal to
The Board of County Commissioners of Park County, Colorado

For the Organization of
A Health Service District to Serve the Northeast Region of
Park County, Colorado

To Be Known As:

PLATTE CANYON HEALTH SERVICE DISTRICT

Submitted by:

Platte Canyon Health District Committee

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Service Plan for the

Platte Canyon Health Service District

I. INTRODUCTION

This Service Plan is prepared and submitted by the Platte Canyon Health District Committee; a Colorado Issue Committee dedicated to meeting the health care needs of Park County residents. The purpose and mission of the proposed Platte Canyon Health Service District (the "District") is to assist in funding essential health services in the Northeast region of Park County.

There are currently no medical providers in Northeast Park County. The closest primary care physicians for the Platte Canyon area are in Conifer, Evergreen, and the Denver Metro area. A broad range of citizens interested parties and local government leaders have worked for two years to address this critical health care need. The submission of this Service Plan is part of that effort.

C.R.S. § 32-1-102(1) declares that the organization of special districts serves a public interest and promotes the health, safety, prosperity, security and general welfare of the inhabitants of such districts.

C.R.S. § 32-1-1003 and C.R.S. § 32-19-101 provide for the creation of health services districts. The Colorado General Assembly has declared that access to health care services is an increasing problem in Colorado and that health service districts may be created to provide health care services and facilities. This Service Plan represents the first formal stage in the formation of the District. It contains the information required by C.R.S. § 32-19-106(2), including a preliminary financial plan, and provides a general framework within which the health care services and facilities are to be provided within its boundaries.

Subject to voter approval at the November 2024 election, the District could be partially funded through a uniform one percent (1%) sales tax upon every transaction, with respect to which a sales tax is levied by the state as allowed by C.R.S. § 32-1-1003(5).

The District does not intend to seek voter approval to impose an ad valorem property tax and does not request authorization to do so in this Service Plan.

The District may receive revenues from other sources including charges and fees paid by patients, as well as donations and grants.

Formation of the District will benefit all citizens of the proposed District, as the District will be focused on returning quality health care services and facilities to the Platte Canyon area. During the District's first year of operation 2025, the Board of Directors is expected to direct its initial efforts on opening and staffing the health care clinic which will be located in the greater Bailey area. Once this is accomplished the District will have the authority to address other health care needs within its boundaries including pediatric care, mental health services, dental, pharmaceutical and other health services.

II. PROPOSED SERVICE AREA

In accordance with C.R.S. § 32-19-106(2)(e) a map of the proposed District boundaries is attached hereto as **Exhibit A.** It includes most of what is generally referred to as the "Platte Canyon" area of Park County.

III. POPULATION ESTIMATES

The Platte Canyon area includes the communities of Bailey, Grant, Pine Junction, and Shawnee.

- The Platte Canyon area in Northeast Park County is home to at least 61% of Park County's entire population. (PPACG consultant transportation report; US Census 2020).
- The Platte Canyon population is 10,000-11,000 (2020 US Census).
- Current population in Park County: (PPACG Transportation report; US 2020 Census)
    - 65 and older= 22.7%
    - 45-64 years= 33.6%
    - combined of 45+ years= 56.3%
    - Disabled= 12%

  Projected change from 2020-2030:
    - 85+ years= +191%
    - 75-85 years= +108%
    - 65-75 years= +7%

- 48.7% of ParkCo households with an adult 60+ receive food stamps, compared to 25.2% regionally and 35.1% in Colorado. (Park County CHAPS 2023)
- 18.7% of Park County households with children were supported by food stamp assistance in 2022 (CHAPS,2023).
- Approximately 14.5% of the population uses Medicaid insurance and approximately 9% have no insurance (CHAPS, 2023).

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IV. INADEQUACY OF EXISTING HEALTHCARE SERVICES

"*Arguably, one of the greatest threats to health in Park County is the lack of access to care"* (CHAPS 2023).

Healthcare services are, at present, entirely lacking in the proposed service area. Additionally, the Platte Canyon area lacks home health and recovery care.

- The area is a food and healthcare desert.

- The Platte Canyon area contains no regular grocery store, no pharmacy, no healthcare clinic, and with the exception of mental health and dentistry, contains no healthcare providers.
- The closest healthcare availability is in Conifer. The largest Conifer healthcare provider (Conifer Clinic) does not accept Medicaid insurance; a major barrier when a significant number of Platte Canyon residents use Medicaid for all or part of their medical insurance.
- Conifer Clinic rarely accepts new patients because, despite the fact that they have 15 primary care providers, their appointments are full- many with patients from Park County.
- A Stride Satellite Clinic operating with Mountain Resource Center in Conifer does accept Medicaid but is only open two partial days each week. After 1.5 years, it has not been successfully adopted by the Platte Canyon Community. Anecdotal statements include difficulty getting transportation, and that the limited hours of the clinic diminish one's trust in sustainability and therefore the desire to transfer primary care to that clinic.
- Lack of reliable, high speed internet service in much of the District greatly impacts the personal use of telehealth services with one's provider.
- Lack of local healthcare often results in EMS ambulance transports one hour each way to a Denver hospital for non-emergent care. The patient's concern needs to be seen by a medical provider, but the level of urgency could be treated by a clinic. With no local clinic option available, the patient is transported to a hospital emergency department. This costs the patient and/or their insurance additional thousands of dollars, expends limited EMS resources in fuel, vehicle wear, and available trained EMS staff, and means that EMS resources are out of district for hours each week, thereby compounding the lack of local healthcare. It is the most expensive and least efficient delivery of healthcare.

Transportation to next available healthcare:

- There is no local public transit service and only one fixed regional route that does not stop in Bailey (PPACG Transportation report)
- The proposed health district area is a significant distance from currently available services i.e. 1- 1.25 hours away from a hospital, 10-25 miles or 20-40 minutes from the closest grocery store, pharmacy, or doctor/clinic located in Conifer. (Google Maps).
- Denver healthcare services are 25-50 miles away. The only route (Hwy 285) out of the Platte Canyon area to Denver consists of a narrow, twisting highway through a mountain canyon which is frequently closed for accidents or weather. Many anecdotal reports from seniors describe difficulty driving themselves in poor weather as well as difficulty finding

someone to drive them when they are unable to, due to health, age or vehicle issues.

- Minimum charge for a rideshare company from the Platte Canyon area starts at $90 one way.

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V. NEED FOR PROPOSED SERVICES

Multiple resources, surveys, and studies demonstrate the lack of accessible healthcare, the public perception of healthcare access, and the effect of poor access on the health of the communities which reside in Park County and the Platte Canyon area.

- Park County is designated as a Medically Underserved Population (MUP)—Governors Designation for all its census tracts.
- The County is designated a Health Professional Shortage Area (HPSA) for primary care, dental health and mental health services.
- Per US County Health Rankings and Roadmaps, Park County demonstrates "area to explore" (i.e., Improve) in
    - Primary Care Physicians- 4,740:1 Park County vs. 1,200:1 Colorado
    - Dentists- 5,910:1 Park County vs. 1,180:1 Colorado
    - In Park County, Colorado, only 26% of female Medicare enrollees receive an annual mammography screening. This number is trending down.
- In January 2023, the Park County Board of County Commissioners adopted a strategic plan which identified healthcare access as a priority goal.
- In June 2023 the Park County Board of County Commissioners approved and adopted the comprehensive 2023 Community Health Assessment Plan (CHAPS) submitted by the Park County Public Health Agency. The three priority issues identified by the Prioritization Committee for the next 5-year public health improvement cycle are: • Mental health • Access to health care • Transportation

  (https://parkco.us/DocumentCenter/View/8661/Community-Health-Assessment--2023_FINAL_20230112?bidId=).

Community data from the Park County 2022 County Health Assessment Plan (CHAPS) report identified the following:

- 31.0% of Park County suicide deaths were ever treated for mental health, compared to 46.4 in the region and 47.6 for Colorado.
- ParkCo adjusted suicide deaths= 56.0/100,000, vs. 43.1 regionally and 21.6 in Colorado.

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Public perception- Park County CHAPS 2023

The Park County CHAPS 2023 Survey measured public perception with rankings from 1(lowest) to 5 (highest) Results from these three questions illustrate perceptions.

- There are sufficient health and social services in the community- survey score: 2.14
- There are networks for support for the elderly living alone - 2.83
- Park County is a good place to grow old 2.33

"The survey included frequent reports of isolation- to others, healthcare, mental health, and telehealth.

During the data collection phase of the Park County CHAPS 2023 survey, interviews with key community stakeholders (representing departments of public health and human services, and others) were conducted to ascertain perceptions on the primary issues impacting the health of un- and under-insured residents of Park County; gaps in available services; desirability of locating a primary care facility in Park County; and potential areas of collaboration. The themes that emerged show a constellation of factors that result in almost insurmountable barriers: lack of providers, lack of insurance or high deductibles, and inability to access care due to transportation and distance."

"All interviewees cited the lack of access to primary medical and mental health as the most critical gap" (Park County CHAPS 2023).

Quotes from the interviewees include:

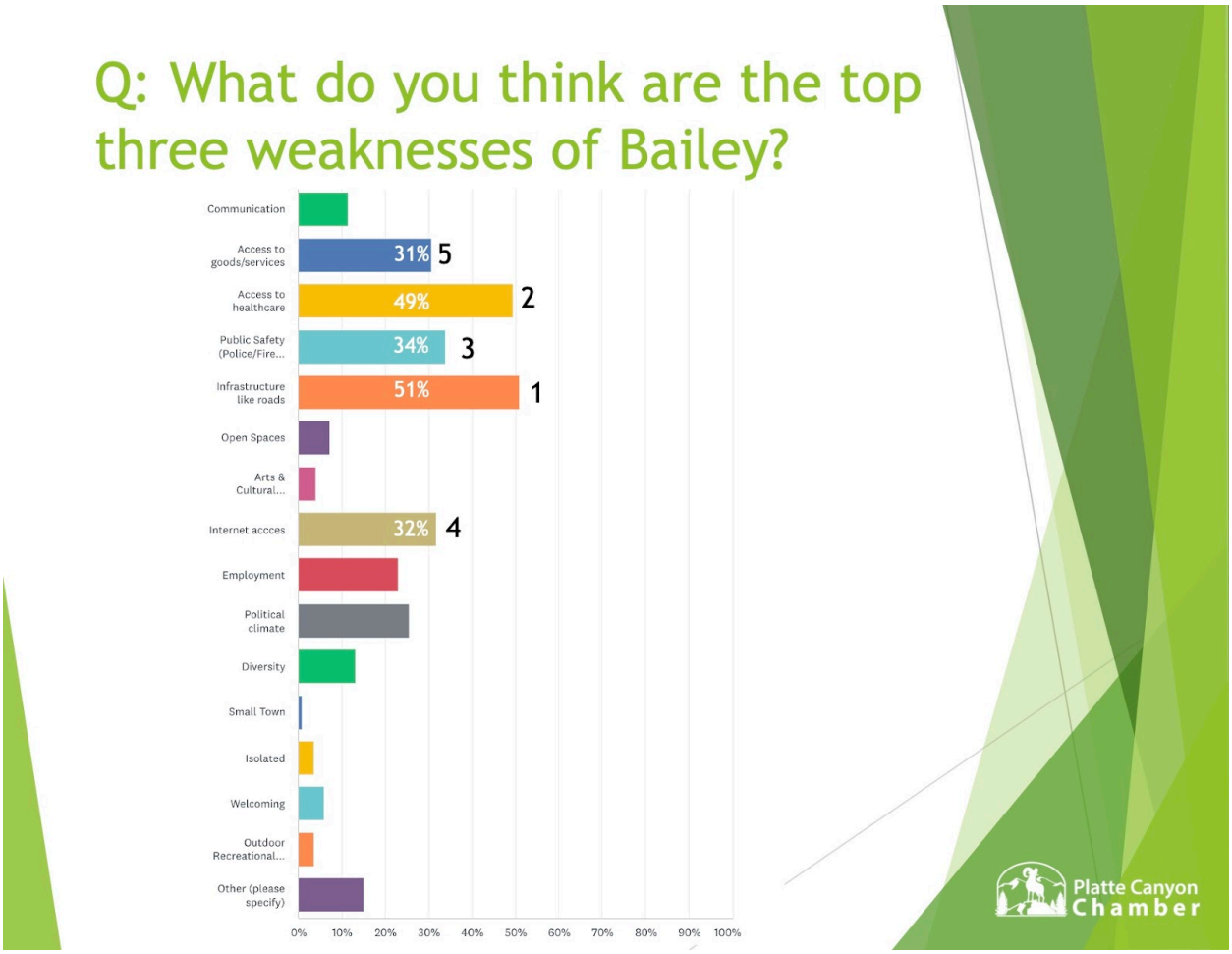
> *"Residents don't want to leave their homes and drive to Denver. They either don't have the money, or they are unable to drive to Denver. They just wait until the problem gets so bad that the ambulance or helicopter has to come to get them. They are always behind the curve."*
>
> *"We also need pediatric care. Services for kids are very limited. Care for children is just pieced together. There is no true medical home for children"* and she reported a lack of access to immunizations for patients, even those with insurance and Medicaid" (Lynn Ramey, Park County's director of Public Health).

Proposed solution:

"*Interviewees envision a coordinated system of integrated medical, dental and behavioral health services, where consistent access to a medical home is assured. They agree on the proposed solution: a primary care facility that offers affordable, accessible and coordinated care, with a long-term commitment to the Park County communities."* (Park County CHAPS 2023)

Public Perception- Platte Canyon Area Chamber of Commerce November 2023

The Platte Canyon Chamber of Commerce conducted a community survey in October-November 2023. Even though healthcare access is not considered a function of the chamber, community respondents repeatedly listed it as one of their top concerns.



Graphic used with permission

Chamber survey participants were asked to rate Platte Canyon as a place to raise children. They were then asked to explain their rating in a text box. Some answers included:

- A lack of infrastructure and resources, i.e. healthcare
- Doctors too far away- hard for two parent working households
- As a parent it would be very helpful to have a doctor in town
- We could use a doctor or clinic
- We have a child with medical issues, and we live so far away from medical help that we may have to move
- Limited access for special needs and physicians and medical services
- Lack of medical and mental health access is a major concern
- We need a clinic and doctor in Bailey that I can take my daughter and toddler to rather than drive down to the city. We can't even get into any doctor in Conifer.
- The lack of healthcare and limited services can be difficult

Chamber survey participants were also asked to rate Platte Canyon as a place to retire. Some answers included:

- My parents are retired and live up here, but it takes a lot for them to go see a doctor or get groceries
- Lack of healthcare, groceries, pharmacy…
- Hard to access healthcare, especially in winter due to poor road maintenance and snowplowing.
- My parents won't move here because there is not enough access to elder services such as hospitals or doctors
- No health services…lack of healthcare…not much for healthcare…too far from healthcare
- Too remote with lack of healthcare access
- Lack of medical facilities is a problem
- If in good health, good; if not, it is too hard to get to doc
- Food and medical desert
- Not enough services up here for getting older
- Healthcare is difficult or not available…no healthcare is scary
- I would say great if we had better access to medical care
- Connecting to social services or healthcare without being able to drive is impossible
- I do not plan on staying here for retirement. Not enough resources, too isolated from healthcare services.

Need for Proposed Services- Conclusion

There is overwhelming documentation from multiple government and private sources that demonstrate a critical lack of healthcare access for residents in the Platte Canyon Area of Park County. This lack of healthcare affects the ability to deliver healthcare in the most cost effective manner- primary care. Lack of local healthcare affects all residents ability to reach their optimum health and well-being, the abilities of families with older relatives to live near each other and offer generational support, negatively impacts working parent households, negatively impacts seniors and others with transportation needs, and places a burden on the Fire Protection District EMS response when ambulances and crew are out of district transporting patients with non-emergent issues that could be diagnosed and treated in a local clinic rather than a Denver hospital.

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VI. PROPOSED DISTRICT SERVICES

The District will potentially provide all of the services described in C.R.S. § 32-1-1003 provided, however, the District will not provide ambulance services as allowed by C.R.S. § 32-1-1003(1)(a) and (b), though the District will have the authority to cooperate with Platte Canyon Ambulance District which currently provides that service.

C.R.S. § 32-1-1003(1)(a) provides that health service districts, such as the proposed District, have the power and authority to establish, maintain, or operate, directly or indirectly through lease or from other parties or other arrangement, public hospitals, convalescent centers, nursing care facilities, intermediate care facilities, emergency facilities, community clinics, or other facilities providing health and personal care services, including but not limited to facilities licensed or certified pursuant to C.R.S. § 25-1.5-103(1)(a).

While potentially providing any or all of the services listed above, the initial focus of the District will be to bring primary health care services to the proposed Service Area by opening, staffing, equipping and maintaining a health care clinic, with telehealth, lab, and radiology capabilities, in the greater Bailey area.

The provision of health care services at the Clinic would most likely be provided via contract with a health care provider or entity. Any such contract would be negotiated by the District's Board of Directors. Should the District not be able to negotiate an acceptable or suitable arrangement for providing contract health care services at the Clinic, the District would potentially hire health services staff including physicians, physician's assistants, nurse practitioner, registered nurses and administrative and support staff.

VII. FINANCIAL PLAN

The financial projections and a preliminary budget of the District for the year 2025 are attached hereto as **Exhibit B.** Once formed, the District will prepare, adopt and file budgets in accordance with the Local Government Budget Law, C.R.S. § 29-1-101 *et seq.*

The financing and revenues of the District will consist of the following:

1. Patient Fees and Charges. The bulk of the revenues necessary for the provision of health care services by the District are expected to come from the payment of fees and charges by patients, their insurers, or governmental sources such as Medicare and Medicaid. Such fees and charges may be collected directly by the District or by health care providers or other entities with whom the District contracts for services.

2. Sales Tax. Pursuant to C.R.S 32-1-1003(5) and 32-19-112, the District shall have the power, upon the approval of the District's eligible electors, to levy a uniform sales tax thought the entire geographical area of the District upon every

transaction or other incident with respect to which a sales tax is levied by the State, except that such sales tax shall not be levied on the sale of cigarettes.

The District, with voter approval, may levy a uniform one percent (1%) sales tax consistent with the authority granted by C.R.S. §§ 32-1-1003(5) and 32-19-112. Based on sales tax revenue information obtained from Park County, a one percent sales tax imposed in the Service Area would initially generate revenues in 2025 in the approximate amount of Eight Hundred Thousand Dollars ($800,000.00).

3. State, Federal and Private Grants. A number of federal and state programs offer the potential for grants to assist in providing health care in underserved or rural areas. Similarly, several private charities, philanthropies and other funders offer grants for the services to be provided by the District. The District will actively pursue such grants as opportunities are identified and the same become available.

4. Donations and Foundations. The District may solicit donations and conduct fundraising operations, including the possible formation of a supporting foundation or enterprise, as appropriate.

5. Bond Issues and Debt. This Service Plan does not identify or contemplate any immediate bond issues or debt issued by the District, and no indebtedness will be authorized at the organizational election to be held on November 5, 2024. Over time it is anticipated that aging infrastructure, equipment and facilities within the District may cause the Board to seek voter approval for specific indebtedness related to identified capital improvement projects within the District. Any such debt would require voter approval pursuant to Article X, Section 20 of the Colorado Constitution as it currently exists.

VIII. BOARD OF DIRECTORS

The District will be governed by a five member elected Board of Directors. The initial Board will be elected at the organizational election to be held on November 5, 2024. In accordance with C.R.S. § 32-1-305.5(2)(a), two Directors shall serve until they or their successors are elected and qualified at the regular District election to be held in November of 2025, and three shall serve until they or their successors are elected and qualified at the regular District election to be held in November of 2026. Thereafter, Board members shall serve four year staggered terms, as set forth in C.R.S. § 32-1-305.5(3).

IX. QUALITY ASSURANCE MEASURES

As a political subdivision of the State of Colorado, the District and its Board of Directors will be subject to the statutory reporting, filing and other accountability measures applicable to Colorado local governments. These include:

- The filing and reporting requirements of the Special District Act, C.R.S. 32-1-101 *et seq.*
- The public adoption of an annual budget and the filing of same with both the State Auditor and the Division of Local Government as required by the Special District Act C.R.S. 32-1-101 *et seq.* and the Local Government Budget Law, C.R.S. § 29-1-101 *et seq.*
- The annual independent audit of the District's financial statements required by the Local Government Audit Law, C.R.S. § 29-1-601 *et seq.*
- The provisions of the Colorado Open Meetings Law, C.R.S. § 24-1-401 *et seq.*
- The provisions of the Colorado Open Records Act, C.R.S. § 24-72-200.1 *et seq.*

Health services professionals will be overseen and supervised, either directly or indirectly through an independent contractor, by the District's Board of Director and staff, if any. The Board is directly accountable to the electors of the District who will be the primary recipients of the services provided by the District and who may be relied upon to report any deficiencies in the quality of the care provided to their elected representatives.

Additionally, the District will require that all health services professionals, including physicians, physician's assistants, nurse practitioners and nurses, have the appropriate licenses, skill and experience to perform their responsibilities.

The District will ensure that all facilities constructed, maintained or operated by the District are managed in accordance with the standards and specifications of all federal, state and local governments having jurisdiction.

It is the intent of the District to provide the highest possible quality of health services. To that end the District will assure that all District operations are regularly inspected and reviewed for quality control.

X. DISTRICT FACILITIES

Initially the District's facilities will be located in the greater Bailey area, in existing space, most likely near the Crow Hill business area, in order to facilitate safe access across highway 285 at the Hwy 285 stoplight or the Crow Hill overpass, especially during peak traffic periods which bookend weekends and the entire summer months.

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.

Any future facilities of the District will be compatible with facility and service standards of Park County.

XI. ESTIMATED COST OF LAND, FACILITIES AND PROFESSIONAL SERVICES

As discussed in above, no indebtedness is proposed to be incurred.

It is anticipated that the initial District requirement for engineering, legal and administrative services should be modest, and is budgeted at the amount of Thirty Thousand Dollars ($30,000.00) for the year 2025. It is further anticipated that future sales tax receipts will be more than sufficient to defray these costs.

XII. ARRANGEMENTS WITH EXISTING POLITICAL SUBDIVISIONS

The District will work cooperatively with the other political subdivisions located either partially or entirely within its Service Area. These include:

- Park County
- Platte Canyon Fire District
- Elk Creek Fire District
- Platte Canyon School District RE-1

No contracts or other arrangements have been prepared or negotiated with other political subdivisions.

XIII. SECURITY FOR DISTRICT OBLIGATIONS

The District shall not, and may not, pledge any revenue or property of the County located within its Service Area as security for any District obligations. Approval of the Service Plan shall not be construed as a guaranty by the County of payment of any of the District's future obligations; nor shall anything in the Service Plan be construed so as to create any responsibility or liability on the part of the County in the event of default by the District in the payment of any such obligation.

XIV. TABOR COMPLIANCE

The District will comply with the provisions of Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer Bill of Rights or TABOR. At the discretion of the Board, the District may set up other qualifying entities to manage, fund, construct and operate health care facilities, services, and programs. To the extent allowed by law, any entity created by the District will remain under the control of the District's Board of Directors.

XV. DISTRICT ORGANIZATIONAL AND OPERATIONAL COSTS

The estimated cost of District formation, including legal and other administrative services, together with the District's initial operational costs preceding the receipt of sales

tax revenues, is Ten Thousand Dollars ($10,000.00). Advances of these costs by persons or entities other than the District may be reimbursed from future District revenues not later than January 1, 2026.

CONCLUSION

The proposed Platte Canyon Health Service District will be committed to providing the best possible health care services and facilities to the residents of the Service Area. Recent history has shown that quality health care in the Platte Canyon area is unlikely to be self-sustaining on a purely for profit basis. The District will provide a revenue mechanism and funding source that will fill the gap between patient payments and the cost of providing health care services.

The District proponents respectfully request that the Board of County Commissioners finds that this Service Plan provides satisfactory evidence that each of the following has been established, pursuant to the requirements of C.R.S. § 32-1-203(2):

A. Need. There is sufficient existing and projected need for organized service in the area served by the District.

B. Existing Service Inadequate. The existing service in the area served by the District is inadequate for present and projected needs.

C. District Capable. The District is capable of providing economical and sufficient service to the area within its boundaries.

D. Area has Financial Capability. The area included in the District has, or will have, the financial ability to discharge the proposed indebtedness on a reasonable basis.

Further, the Board should find that satisfactory evidence of each of the following has been presented, pursuant to the requirements of C.R.S. § 32-1-203(2.5):

A. Adequate Service Not Timely Available. Adequate service is not, or will not be, available to the area through the County or other existing municipal or quasi-municipal corporations, including existing special districts, within a reasonable time and on a comparable basis.

B. Facility and Service Standards Comparable. The facility and service standards of the District are compatible with the facility and service standards of each county within which the District is located and each municipality which is an interested party, if any.

C. Substantial Compliance with Master Plan. The proposal is in substantial compliance with the Park County master plan.

D. Substantial Compliance with Water Quality Plan. To the extent that it applies, the proposal is in compliance with any duly adopted county, regional, or state long-range water quality management plan for the area.

E. In Best Interests of Area. The Service Plan of the District is in the best interests of the area to be served.

Therefore, it is requested that the Board of County Commissioners, which has jurisdiction to approve the Service Plan by operation of C.R.S. § 32-19-108, adopt a resolution approving the Service Plan for the Northeast Park Health Service District as submitted.

EXHIBIT A – BOUNDARY MAP AND DESCRIPTION- Attachment

EXHIBIT B – FINANCIAL PROJECTIONS AND PRELIMINARY 2025 BUDGET- Attachment