

# **Park Hospital District - UCHealth Partnership Definitive Agreements Negotiations Completed**

**May 8, 2025**



# Executive Summary

Park Hospital District (PHD) Goal:

To ensure excellent health care services availability  
For our Estes Valley Community  
For many years to come

PHD - UCHealth Partnership Definitive Agreements

UCHealth will provide innovative health care services  
For our Estes Valley Community  
For a minimum of 50 years



# Executive Summary

- Park Hospital District (PHD) and UCHealth Partnership Definitive Agreements negotiations have been completed
- The Definitive Agreements are:
  - A Health System Operating Lease Agreement
  - An Integration and Affiliation Agreement
- Next Steps: PHD and UCHealth Boards consider approving the Partnership Definitive Agreements
- Then, as required by the Hospital Transfer Act, the Colorado Attorney General will review the agreements, a process that requires at least 60 days



# Why a partnership with UCHealth?

Estes Park Health (EPH) pursued partnership with UCHealth for:

- **Shared values:** Patients first – integrity – excellence
- **Trust:** Developed over many years of working together
- **Clinical excellence:** World-class quality,  
Outstanding patient experience
- **Financial Strength:** Stability and excellent management
- **Overall Benefits:** Community, patients and employees



# Trust Between EPH and UCHealth

- Many years collaborating with: Poudre Valley Hospital, Medical Center of the Rockies, UCHealth Medical Group
- Shared services: EPIC electronic medical records
- Doc Line and medical evacuations
- COVID pandemic collaboration
- Wildfires: East Troublesome and Alexander Mountain



# Benefits to Our Estes Valley Community

The primary goal of partnership with UCHealth:

For the Estes Valley community,  
the partnership with UCHealth  
will best ensure excellent health care services  
are available for many years to come.



# Benefits to EPH Patients

Benefits for EPH patients:

- **Continue and strengthen current health care services**  
Current EPH - UCHHealth collaboration has resulted in outstanding health care at EPH and world-class care for EPH's referrals.
- **Access to UCHHealth's cutting edge technology**  
UCHHealth's Virtual Health Center and artificial intelligence in the EPIC Electronic Medical Record system will enhance EPH patients' experiences and outcomes.



# Benefits to EPH Patients

Benefits for EPH patients:

- **Access to state-of-the-art health care programs**  
Ex: Virtual health and behavioral health services
- **UCHealth is committed to continuing EPH's care for patients challenged to access health care:**  
More than half of EPH's patients are covered by Medicare, Medicaid or are uninsured, and UCHealth is the state's largest provider of Medicaid services



# Benefits to EPH Employees

Benefits for EPH employees:

- **Professional networks** with UCHealth's workforce of more than 35,000 people
- **Staff development opportunities**
  - Example: UCHealth Ascend Career Program  
Tuition Assistance & Professional Development Coaching
- **Additional resources dedicated to recruitment and retention**



# Benefits of UCHealth Financial Stability

## Benefits of financial partnership with UCHealth

- UCHealth outstanding financial management
- Economies of scale examples:
  - Decreased costs of supplies, pharmaceutical drugs
- Additional discounts on IT and other services



# Benefits of UCHealth Financial Stability

## **Future financial necessity:**

Increasing challenges in managing finances

- Dramatically increasing expenses
- Increasing uncompensated care
- Minimal increases or decreases in reimbursements from Medicare, Medicaid and commercial payors

## **UCHealth's financial commitment in the coming years**

- Invest \$30 million into EVMC and the Estes Valley:
  - Invest not less than \$20 million in strategic/routine capital
  - Assume all outstanding District long-term debt (currently about \$10 million)



# Prerequisite: Ballot Issue 8A Success

Ballot Issue 8A, May 2, 2023 Park Hospital District election

- Ballot Issue 8A election success a partnership prerequisite
- Mail ballot election – all eligible voters received a ballot
- Election Result: 80.3% support for Ballot Issue 8A
- Ballot Issue 8A
  - Authorized the District to enter into multiple fiscal year agreements with nonprofit health care providers
  - Pledged District revenues to result of those agreements



# Ballot Issue 8A – May 2, 2023

Without imposing any new tax or increasing any tax rate, shall Park Hospital District, doing business as Estes Park Health, be authorized to enter into one or more agreements, constituting a multiple fiscal year financial obligation within the meaning of Article X, Section 20(4)(b) of the Colorado Constitution, with one or more nonprofit health care providers concerning the ownership, operation, and maintenance of all or any portion of the District's hospital and other healthcare and related facilities and assets, including the lease or other conveyance from the district of real and personal property, and to pledge all or any portion of the District's revenues pursuant to such agreements?



# EPH – UCHealth Definitive Agreements

- Three parties in the Transaction:
  - Park Hospital District
  - UCHealth
  - UCHealth Estes Valley Medical Center
- UCHealth Estes Valley Medical Center will be formed as a UCHealth subsidiary Colorado nonprofit corporation
- Operating lease term:
  - Fifty (50) years
  - With ten (10) year automatic renewal periods



# Definitive Agreements Transaction

## The Park Hospital District

- Retains ownership of District property and buildings
- Leases property and buildings to UCHealth Estes Valley Medical Center
- Continues as a Special Taxing District
- District tax revenues support operation, improvement, and maintenance of UCHealth Estes Valley Medical Center



# Definitive Agreements Transaction

## UCHealth Estes Valley Medical Center

- Other than the Park Hospital District's land and buildings, all other assets and operations of the Park Hospital District, including equipment and employees, will be transferred to UCHealth Estes Valley Medical Center
- UCHealth Estes Valley Medical Center will take over and continue all health care operations after the closing of the transaction



# Definitive Agreements Transaction

## UCHealth Estes Valley Medical Center Board of Directors

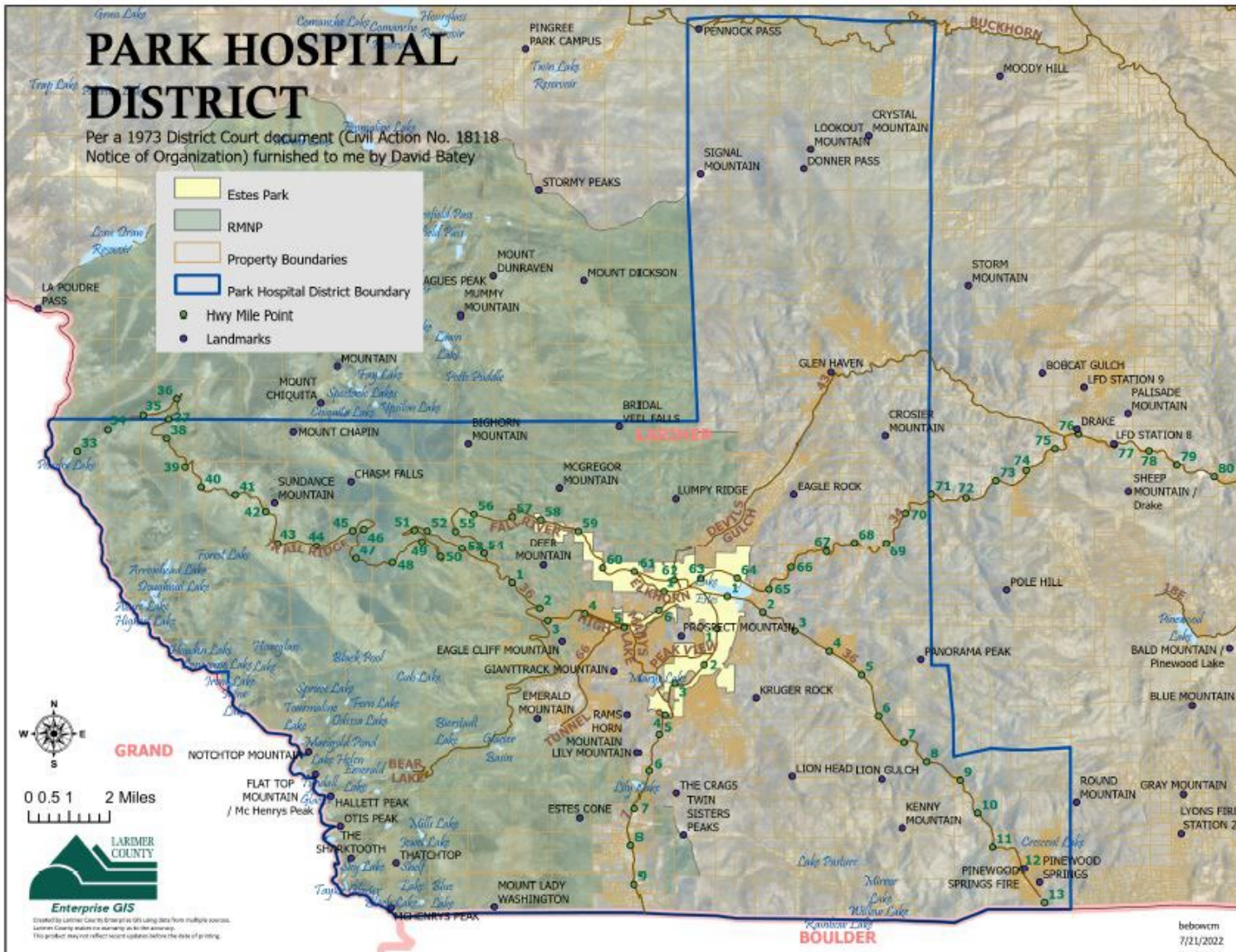
- Two (2) nominated from Park Hospital District Board
- Three (3) nominated District Community Members
- Two (2) appointed from UCHealth
- Total: seven (7) Directors
- All Directors appointed by UCHealth CEO



# PARK HOSPITAL DISTRICT

Per a 1973 District Court document (Civil Action No. 18118 Notice of Organization) furnished to me by David Batey

- Estes Park
- RMNP
- Property Boundaries
- Park Hospital District Boundary
- Hwy Mile Point
- Landmarks



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# Employment and Benefits

- **Employment and Benefits**
- UCHealth intends to offer employment to all EPH employees as of closing,
- Employees' base rate of pay will be no less than that amount presently provided to each such employee,
- Employment will be subject to standard pre-employment screening.



# Thanks to Those Who Made This Possible

- Estes Valley Community: Strong support for Ballot Issue 8A
- EPH Leadership and employees
- Counterparts with UCHealth
- Outside expert Advisors at Eide Bailly and Hall Render
- Park Hospital District Board of Directors



# Next Steps

- Park Hospital District Board of Directors and UCHealth Board of Directors consider approval of Partnership Definitive Agreements
- If approved, then Colorado Attorney General Review
  - Required by Hospital Transfer Act
  - Expected to take at least 60 days
- If approved, Park Hospital District Board of Directors consider approval of final closing documents before closing
- UCHealth and EPH will share more information with employees and the community during this time



# Questions, Answers & Discussion