

## Agenda

### Estes Park Health Board of Directors' Special Meeting by GoToWebinar and In-Person


Thursday May 15, 2025

6:30 pm - 8:00 pm

Estes Park Town Hall - Town Board Meeting Room, 170 MacGregor Ave, Estes Park CO 80517

Regular Session		Mins.	Procedure	Presenter(s)
1	Call to Order and Welcome	1	Action	Dr David Batey
2	Approval of the Agenda	1	Action	EPH Board of Directors
3	Public Comments on Items Not on the Agenda	3	Information	Public
4	General Board Member Comments	3	Information	EPH Board of Directors
5	Presentations:			
5.1	Park Hospital District and University of Colorado Health Partnership Definitive Agreements - Summary	15	Discussion	EPH Board of Directors
5.2	UCHealth: Who We Are	15	Discussion	Dr Kevin Unger, President and CEO, Northern Colorado, UCHealth
5.3	Park Hospital District Resolution 2025-01 - A Resolution of the Board of Directors of the Park Hospital District to Authorize Entering into Definitive Agreements with University of Colorado Health	10	Discussion	EPH Board of Directors
5.4	Board Member Questions and Comments	15	Discussion	EPH Board of Directors
5.5	Community Member Questions and Comments	30	Discussion	Community Attendees
5.6	Consider a motion to approve Park Hospital District Resolution 2025-01 which authorizes the Park Hospital District to enter into Definitive Agreements with University of Colorado Health to implement long term arrangements for providing healthcare to District residents and visitors.	10	Action	EPH Board of Directors
9	Adjournment	1	Action	EPH Board of Directors
Estimated Total Regular Session Mins.		104		

Next EPH Monthly Board Meeting: Wednesday May 28, 2025 5:30 - 7:00 pm



# **Park Hospital District - UCHealth**

## **Partnership Definitive Agreements**

### **Summary of Successful Negotiations**

**May 15, 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

- The Definitive Agreements documents 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 Seek Partnership with Larger Nonprofit Health Care Provider?

Challenges in rapidly evolving health care environment:

1. Covid Intensification
2. Expenses – Dramatic increases
3. Revenues – Decreases or minimal increases in reimbursement from Medicare, Medicaid, insurers
4. Uncompensated care increases
5. Capital access to keep up with technology
6. Payor Networks
7. EPH small size
8. Competition

# Why Seek Partnership with Larger Nonprofit Health Care Provider?

## Conclusions:

1. Remaining independent not viable long-term
2. Seek relationship with larger nonprofit health care provider
3. Make EPH stronger to be attractive partner
4. Make partnership negotiation possible: Ballot Issue 8A
5. Explore possible relationship models and partners

# 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

# Benefits to EPH Patients

- Continue and strengthen current health care services
- Access to UCHHealth's cutting edge technology
- Access to state-of-the-art health care programs
- UCHHealth 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 UCHHealth is the state's largest provider of Medicaid services



# Benefits to EPH Employees

- Networking with 35,000 employees
- Staff development opportunities
  - Example: UCHealth Ascend Career Program
  - Tuition Assistance & Professional Development Coaching
- UCHealth intends to offer employment to all EPH employees subject to standard pre-employment screening.
- Employees' base rate of pay will be no less than that amount presently provided to each such employee

# Benefits of UCHealth Financial Stability

Benefits of financial partnership with UCHealth

- UCHealth outstanding financial management
- Economies of scale
- UCHealth's financial commitment in the coming years

Invest \$30 million into EVMC and the Estes Valley:

- Invest at least \$20 million in strategic/routine capital
- Assume 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 (EVMC)
- UCHealth EVMC 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 (EVMC)**
  - 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



## 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 a minimum of 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

# Executive Summary

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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

# 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

# Definitive Agreements Online



UCHealth Partnership



Partnership Agreements

<https://eph.org/about-us/uchealth-partnership/definitive-agreements/>

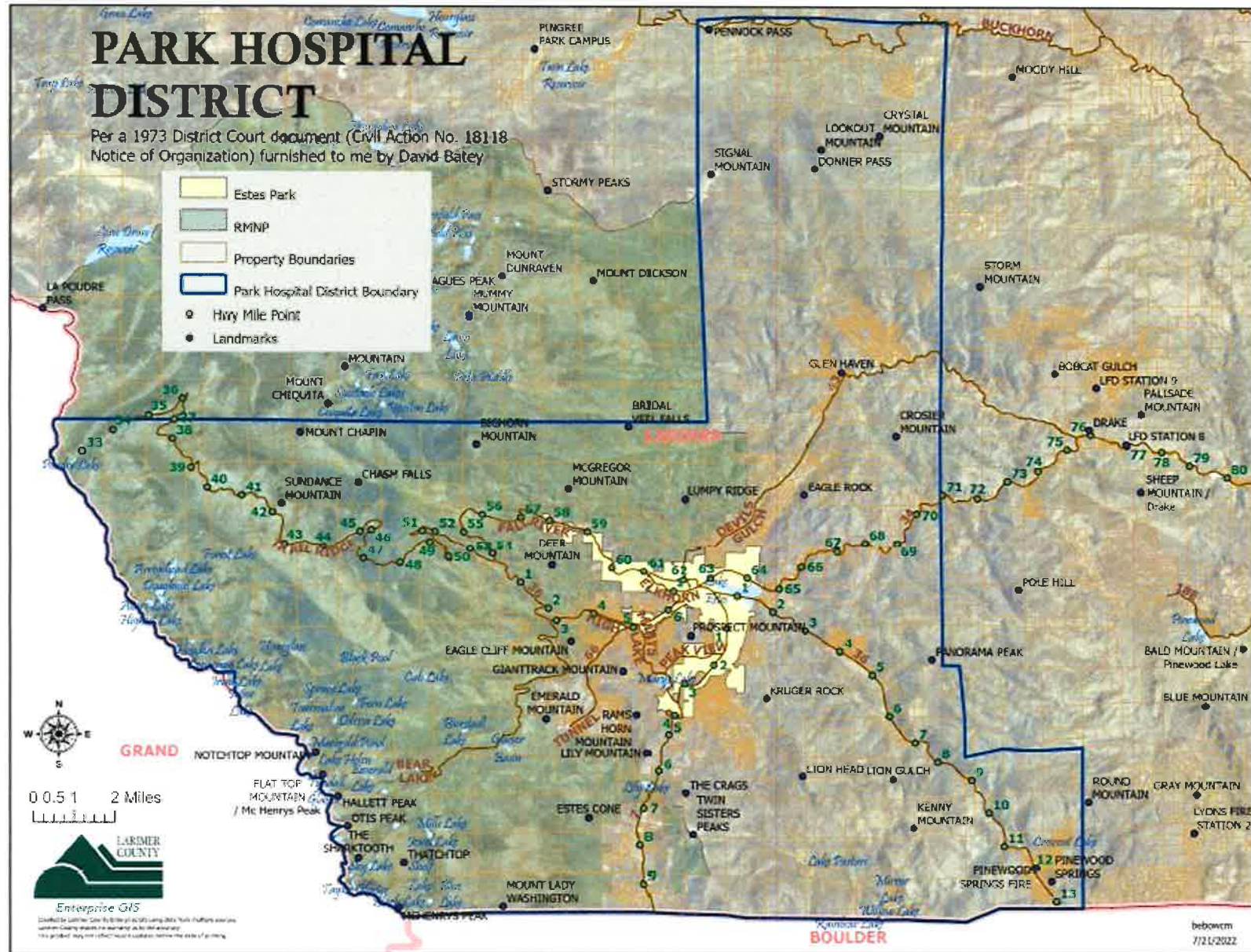
Definitive Agreements Information

# Backup Material



# PARK HOSPITAL DISTRICT

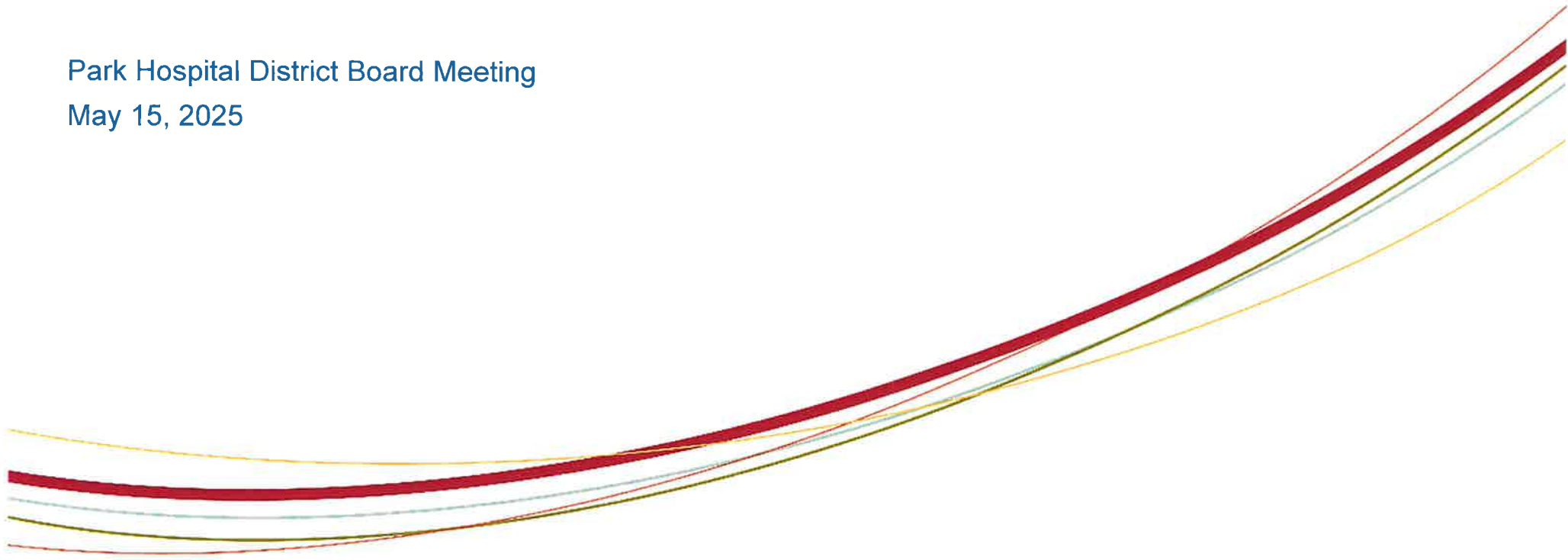
Per a 1973 District Court document (Civil Action No. 18118 Notice of Organization) furnished to me by David Batey



# Who we are

Park Hospital District Board Meeting

May 15, 2025



uchealth



## Honored to partner with EPH and serve the Estes Valley

- UCHealth currently partners with EPH to offer cardiology, oncology, ENT, urology, sleep evaluation and surgery backup coverage.
- UCHealth's OB clinic in Estes Park serves women who often choose to deliver at Medical Center of the Rockies or other UCHealth hospitals.
- UCHealth offers community benefits programs in the Valley: Students at Estes Park High School currently receive CPR training and heart-health education from UCHealth's Healthy Hearts and Minds program.
- Excited about the future as EPH joins UCHealth.





# Who we are

## Mission

- We improve lives. In big ways through learning, healing and discovery. In small, personal ways through human connection. But in all ways, we improve lives.

## Vision

- From health care to health.

## Values

- Patients first
- Integrity
- Excellence





## Health care by the numbers.<sup>1</sup>

UCHealth is the largest provider of Medicaid services in the state.

**1.1M** Medicaid outpatient visits

**450%** increase in Medicaid care since 2013

**29%** of Colorado Medicaid hospital care is provided by UCHealth

Fiscal Year 2024

## UCHealth's Virtual Hospital

### The Virtual Health Center offers 16 different services:

- Virtual ICU
- Virtual acute surveillance
- Safety view (sitter)
- Telemonitoring and virtual tele-RN
- Capnography monitoring
- Virtual urgent care
- Virtual employee exposure
- Home and remote care
- Hospital to Home
- Virtual wound care
- Virtual respiratory therapy
- Virtual nursing
- Virtual hospitalist
- Patient technology technician
- Admission and transfer center
- Virtual primary care

### Looking ahead in innovation

- 1 Implementing new models of care
- 2 Enhancing UCHealth app
- 3 Expanding virtual care





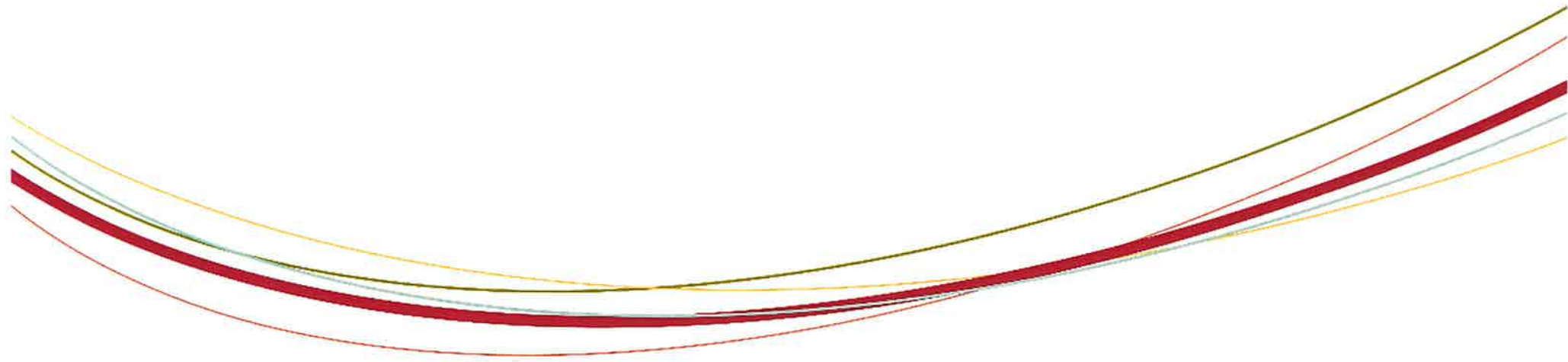
# Employee communications

## Commitment to transparency

- Anonymous employee/provider question/comment form.
- Regular updates via Employee Q&A.
- Early June – All staff/provider town hall meetings with EPH and UCHHealth leadership.
- Late summer/early fall – Benefits information and education sessions.
- Early fall – UCHHealth benefits enrollment (pending effective date).
- Employee engagement surveys – (full surveys each winter, shorter check-in surveys in summer)

uchealth

Thank you



## **PARK HOSPITAL DISTRICT**

### **RESOLUTION 2025-01**

#### **A RESOLUTION OF THE BOARD OF DIRECTORS OF THE PARK HOSPITAL DISTRICT TO AUTHORIZE ENTERING INTO DEFINITIVE AGREEMENTS WITH UNIVERSITY OF COLORADO HEALTH**

1. **WHEREAS**, In response to the healthcare needs of the communities served by Park Hospital District (the “District”) and other developments and challenges in the healthcare industry, the District’s Board of Directors (the “District Board”) engaged in a deliberative process to explore strategic relationships to best ensure excellent health care services are available for our community for many years to come; and,
2. **WHEREAS**, In connection with its evaluation of arrangements with other health care organizations, the District engaged legal counsel and strategic advisors with national expertise in health care transactions and other relevant health care industry experience to assist with evaluating and negotiating potential strategic relationships (the “Advisors”); and,
3. **WHEREAS**, The District Board found that arrangements with one or more nonprofit health care organizations will facilitate the continued availability of outstanding local health care services, allow access to commercial payer networks and specialty care to address the health care needs of District residents for many years to come; and,
4. **WHEREAS**, Based on its findings, the District Board presented Ballot Issue 8A to the District’s eligible electors during the regular election held on 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?”; and,
5. **WHEREAS**, The District’s eligible electors overwhelmingly (80.3%) approved Ballot Issue 8A during the May 2, 2023 election, thereby authorizing the District Board to identify and pursue potential nonprofit health care provider partners for the purpose of achieving the goals set forth in Ballot Issue 8A; and,
6. **WHEREAS**, In furtherance of the goals approved by the District’s eligible electors as set forth in Ballot Issue 8A, and based on extensive negotiations, On October 3<sup>rd</sup>, 2024, Vern Carda, the District’s CEO, and Elizabeth Concordia, President and CEO of University of Colorado Health (“UCHealth”), signed a non-binding Letter of Intent which allowed the District and UCHealth to negotiate the terms and conditions of definitive agreements; and,

7. **WHEREAS**, at a Standard Monthly public meeting of the District Board held on October 23<sup>rd</sup>, 2024, the District Board unanimously ratified Vern Carda's signing of the Letter of Intent; and,
8. **WHEREAS**, the District Board and senior executives of the District have been involved in discussions and negotiations with UCHHealth with respect to a strategic relationship with the District (the "Transaction") to ensure excellent health care services are available for our community for many years to come; and,
9. **WHEREAS**, the parties have engaged in an extensive deliberative process and good faith negotiations regarding an Integration and Affiliation Agreement and a Health System Operating Lease Agreement (collectively the "Definitive Agreements") which provide for the following:
  - 9.1. Three Parties in the Transaction: There are three parties in the Transaction: the District, UCHHealth, and UCHHealth Estes Valley Medical Center.
  - 9.2. UCHHealth Estes Valley Medical Center Formation: UCHHealth Estes Valley Medical Center will be formed as a Colorado nonprofit corporation and a subsidiary of UCHHealth.
  - 9.3. Transaction:
    - 9.3.1. The District will retain ownership of the District's land and buildings.
    - 9.3.2. Other than the District's land and buildings, all other assets and operations of the District (doing business as Estes Park Health), including equipment and employees, will be transferred to UCHHealth Estes Valley Medical Center, which will take over and continue operations after the closing of the transaction.
  - 9.4. Term: The term of the Operating Lease will be fifty (50) years, with ten (10) year automatic renewal periods.
  - 9.5. UCHHealth Estes Valley Medical Center Board of Directors: Post-closing, the UCHHealth Estes Valley Medical Center Board of Directors will include two representatives nominated from the District Board, three additional representatives nominated from the Estes Park community, and two members from UCHHealth.
  - 9.6. District Debt: UCHHealth will assume or make other provision to pay all Outstanding Park Hospital District Long-Term Debt related to Estes Park Healthcare Operations, or may cross-obligate such Outstanding Long-Term Debt with UCHHealth's existing debt.
  - 9.7. District Tax Proceeds: Tax proceeds from the District will be assigned to UCHHealth and will continue to be used to support UCHHealth Estes Valley Medical Center and/or ambulance operations and patient care in the District consistent with historical practice and as authorized by Ballot Issue 8A which passed with 80.3% support by District voters on May 2, 2023.
  - 9.8. EPH Employees: UCHHealth intends to offer employment to all District employees, with total compensation not less than current amounts, subject to standard pre-employment screening.
  - 9.9. Post-closing Commitments: UCHHealth will make certain ongoing commitments related to the Hospital's operations and facilities, including:

- 9.9.1. Providing not less than \$20 million for capital projects including strategic capital and routine maintenance over 10 years;
- 9.9.2. Evaluating the provision of new services for Behavioral Health, Behavioral Telehealth, Telehealth programs, and Pain Management;
- 9.9.3. Maintaining the "Critical Access Hospital" status of the Hospital under the Medicare program or other similar status that meets community health care needs;
- 9.9.4. Continuing the operation of ambulance services in Estes Park consistent with community and financial need; and
- 9.9.5. Making available to the District annually, a summary of UCHealth's use of its assigned District's tax revenues for the benefit of the UCHealth Estes Valley Medical Center.

**10. WHEREAS**, after consideration of its fiduciary duty and a review of the principal terms of the proposed Definitive Agreements, the District Board believes that implementing the principal terms and conditions of the Definitive Agreements through partnership with UCHealth, will have significant benefits for the Estes Valley Community and Patients, District employees, and provide the best structure for establishing a long-term financially sustainable path for health care services in the Estes Valley, thereby best ensuring access to outstanding health care services for the District's Community and visitors for many years to come.

**NOW THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE PARK HOSPITAL DISTRICT THAT:**

**RESOLVED FIRST**, that the terms and conditions of the Definitive Agreements as presented by the senior executives and the Advisors are hereby approved, and that the Officers of the District, or any one of them, are hereby authorized and directed to execute a final version of the Definitive Agreements on such terms as have been presented to the District Board, with such revisions or modifications as may be determined, in their discretion, to be in the best interests of the District;

**RESOLVED SECOND**, that the senior executives of the District (and their designees and Advisors) are hereby authorized to pursue with all due diligence the completion of all necessary tasks, the removal of all contingencies and the consummation of the Transaction contemplated by the Definitive Agreements on such terms as are stated therein or as may be determined, in their discretion, to be in the best interests of District, with the understanding that final closing and other Transaction documentation, including restated governing documents of the District, will be presented to the District Board for approval prior to closing; and

**RESOLVED THIRD**, that all actions taken by the senior executives of the District in connection with and in furtherance of the Transaction as described in these resolutions, and which are in conformity with the intent and purposes of these resolutions be and are hereby confirmed, ratified and approved in all respects.



**ADOPTED** by the Board of Directors of Park Hospital District, d/b/a Estes Park Health  
this \_\_\_\_ day of May 2025.

**BOARD OF DIRECTORS OF THE PARK HOSPITAL DISTRICT**

By: \_\_\_\_\_  
**David Batey, Chair**

**Attest:**

\_\_\_\_\_  
**Drew Webb, Vice Chair**

\_\_\_\_\_  
**Stephen Alper, Treasurer**

\_\_\_\_\_  
**Brigitte Foust, Secretary**

\_\_\_\_\_  
**Cory Workman, At Large**