



# Custer County Medical Center

*West Custer County Hospital District*  
704 Edwards • Westcliffe, CO 81252  
Bus: (719) 783-2380 • Fax: (719) 783-2377  
[www.custercountyclinic.com](http://www.custercountyclinic.com)

## **NAME OF THE DISTRICT:**

West Custer County Hospital District

## **DISTRICT'S STATEMENT OF PURPOSE:**

To be the medical care facility of choice for West Custer County Hospital District residents and visitors.

## **DISTRICT'S STATEMENT INDICATING SERVICE PLAN:**

SERVICE PLAN

FOR

WEST CUSTER COUNTY HOSPITAL DISTRICT

March 3, 1988

January 2015 Revision – FINAL

### **I. INTRODUCTION**

The purpose of the West Custer County Hospital District is to promote the availability of the medical and nursing services and facilities on an established business hour basis. The District will also furnish ambulance service providing 24-hour emergency coverage. The District will take over the functions and facilities of the existing Custer County Medical Foundation and Ambulance Corps.

## II. DESCRIPTION OF SERVICES

### A. Clinic Services

The District will provide regular medical service. The District will assume the operations and facilities of the existing Custer County Medical Foundation, which now operates the Custer County Medical Clinic. The Clinic is licensed as a Rural Health Center and has on staff a medical doctor, as well as other health care professionals and technicians. The Clinic offers comprehensive health care services, including but not limited to, certain laboratory and x-ray services. The District also provides training and supervision of emergency first aid and ambulance personnel and provides limited health care services for students at the Custer County High School. The proposed District will attempt to provide similar staffing and services.

The facilities and equipment of the existing Clinic, as listed on Exhibit B, will be transferred to the District. The Board of County Commissioners has also agreed to transfer to the District the two ambulances currently owned and operated by the County.

The Clinic will provide care for anyone desiring it, regardless of financial status or county residence. Care will be provided on a fee for service basis. Those individuals who are not on Medicaid, who are not "medically needy," as defined by the State Department of Social Services, will be expected to pay for the full value of medical services provided.

### B. Ambulance Services

The District will provide emergency first aid, stabilization and transport with the Ambulance Corps. The services now provided by the existing Ambulance Corps will be

assumed by the District. The equipment now owned and maintained by the County will be turned over to the District.

The Ambulance Service will be provided by an emergency medical technician corps. A minimum number of members of the corps will be on call 24 hours a day and will be available through radio dispatch facilities. The Ambulance Service personnel will be supervised by Clinic staff personnel.

#### C. Service Review

It shall be mandatory for the board of directors of the District to annually request an auditor to review the efficacy of the business practices of the District and to submit a report thereof to the District. There shall also be a peer review periodically of the operations of the District, subject to the economic feasibility of the review.

#### D. Necessity of Proposed Services

The services provided by the Custer County Clinic and the Ambulance Corps are the only regular and 24-hour emergency medical services within the County. The area is growing and there is a need for additional medical facilities and services. The population of the County has continued to increase in recent years. There are over 2,000 permanent residents of the County. Figures indicate an additional influx of summer residents that exceeds 3,000. In addition, the number of occasional visitors who come to the County for a short period of time has increased. Attendance at the Conquistador ski area has risen and the number of seasonal events, such as the Jazz Festival, which draw people to the County has increased. The

nearest alternative medical facilities are one to two hours away from any point within the District.

In the past, the Clinic has been able to provide for full-time physician care through funding received from the National Health Service Corps. That funding is no longer available. The Clinic is seeking additional funds through grants and other alternative funding sources. However, there is no certainty that adequate funds will be available through these sources. The proposed District would provide a reliable means of funding through the availability of tax revenue and would spread the financial impact of funding the District on a reasonable and fair basis to those who would benefit from the operation of the Clinic and Ambulance Service.

The present facilities and organization of the Clinic and the Ambulance Corps are the only regularly maintained health care facilities within the proposed District. Thus, no existing services will be adversely affected by the formation of a hospital district since the Custer County Medical Foundation and the Board of County Commissioners have agreed to turn over to the District the assets currently owned by them and used in the operation of the Clinic and Ambulance Service. See Exhibit C.

### III. BOUNDARIES, POPULATION AND ASSESSED VALUATION

#### A. Boundaries

The jurisdictional boundaries and service area of the District will be located entirely within Custer County. The area included within the proposed District is described as follows:

All of Custer County West of the East line of Sections 3, 10, 15, 22, 27 and 34, in Township 21 South, Range 70 West of the 6th P.M.;

All of Custer County West of the East line of Sections 3, 10, 15, 22, 27 and 34, in Township 22 South, Range 70 West of the 6th P.M.;

All of Custer County West of the East line of Sections 3, 10, 15, 22, 27 and 34, in Township 23 South, Range 70 West of the 6th P.M.; and

All of Custer County West of the East line of Sections 3, 10, 15, 22, 27 and 34, in Township 24 South, Range 70 West of the 6th P.M.

Parcels 1 through 24, Parcel 26, and Parcels 28 through 32, of the Woods at Gem Mountain, Filing 1, Fremont County, CO

A map of the District boundaries is attached to this Plan as Exhibit A.

**B. Estimate of Population**

The U.S. Census Bureau indicates that the permanent population of Custer County in 1986 was 2,154 persons. Of this number, 453 live in Silver Cliff, 475 live in Westcliffe and 1,226 live in the unincorporated area of the County. In 1976, the Custer County Extension Office estimated that there were 1,676 permanent residents in the County and 3,176 part-time residents. The 1970 U.S. Bureau of Census determined the permanent resident population of Custer County to be 1,120. These figures indicate a 3% annual growth rate over the last 18 years.

If current population growth trends continue, a permanent residence population of 2,800 by 1998 would be a conservative estimate. The permanent and summer resident population increase is expected to accelerate as more people utilize the resources of the County and as the approved subdivisions of the County continue to develop.

**C. Valuation for Assessment**

The assessed value for the District for 1987 is \$32,003,610.00. It is estimated that in the first year the District would set a mill levy of 2.3 mills. Funds generated by the mill levy

in 1989 shall not exceed \$75,000.00.

#### IV. FACILITIES

The start-up facilities of the District will be donated by the Custer County Medical Foundation and the Custer County Board of County Commissioners. There are no additional facilities or improvements that appear to be necessary or which are planned at this time. The facility and service standards of the District are compatible with those facility and service standards which are now in existence.

#### V. ESTIMATED EXPENSES

A projected budget for the first year of operations of the District is attached hereto as Exhibit D. In addition, there will be some organizational expense for filing fees, publication and mailing costs and attorney's fees. These organizational costs are estimated to be approximately \$3,500.00.

The majority of the projected expenses of the District will be met through patient fee payments. In addition, the District will continue to seek other government funding, donations and grants. The District will also attempt to increase use of the Clinic and improve collection of accounts, which could result in decreasing the mill levy.

#### VI. FINANCIAL PLAN

The proposed budget for the first year, based on present Clinic operations, indicates total expenses of \$209,000.00. Of this amount, \$187,400.00 is for the operation of the Clinic and \$21,600.00 is for the operation of the Ambulance Service. It is estimated that patient

fees will pay for \$134,500.00 of this amount. This will leave an operating deficit of \$74,500.00. The District is proposing to establish a mill levy that will result in sufficient revenue from property taxes to cover this operating deficit. The District shall use ad valorem tax money for the expenses of the Clinic and Ambulance Service, except salaries for medical personnel.

#### VII. MUTUAL AID AND SIMILAR AGREEMENTS

The District will contract with the Department of Social Services for the State of Colorado to provide Rural Health Center services to Medicaid eligible individuals in consideration of Medicaid reimbursement for such services. The Clinic has entered into such an agreement in the past. A copy of the contract in effect for the period from July 1, 1987, to June 30, 1988, is attached as Exhibit E.

It is anticipated that the District will enter into a contract with the County to provide ambulance services to those portions of the County that are not included within the District. In addition, the District may also contract with the County to provide space in the Clinic for the use of the County Health Nurse. Other formal agreements may be instituted if required.

#### VIII. CONCLUSION

The Clinic and the Ambulance Service are critical in providing for the routine and emergency medical needs of the residents of the proposed District. Recent federal budget cuts, as well as increasing costs, have necessitated the formation of the District to provide for the continued economic viability of the operations of the Clinic and the Ambulance Service.

With the formation of the District, not only will the costs of the services be equitably apportioned among those that benefit from those services, but those people will also have the opportunity to affect the operations of the District through their right to vote for the directors of the District. The elected directors of the District will have the authority to establish a budget for the operation of the District, to establish policies for the operation of the District and to supervise and hire and fire personnel of the District.

THE WEST CUSTER COUNTY HOSPITAL DISTRICT IS AUTHORIZED BY TITLE 32 OF THE COLORADO REVISED STATUTES TO USE A NUMBER OF METHODS TO RAISE REVENUES FOR CAPITAL NEEDS AND GENERAL OPERATIONS COSTS. THESE METHODS, SUBJECT TO THE LIMITATIONS IMPOSED BY SECTION 20 OF ARTICLE X OF THE COLORADO CONSTITUTION, INCLUDE ISSUING DEBT, LEVYING TAXES, AND IMPOSING FEES AND CHARGES. INFORMATION CONCERNING DIRECTORS, MANAGEMENT, MEETINGS, ELECTIONS, AND CURRENT TAXES ARE ANNUALLY IN THE NOTICE TO ELECTORS DESCRIBED IN SECTION 32-1-809(1), COLORADO REVISED STATUTES, WHICH CAN BE FOUND AT THE DISTRICT OFFICE, ON THE DISTRICT'S WEB SITE, ON FILE AT THE DIVISION OF LOCAL GOVERNMENT IN THE STATE DEPARTMENT OF LOCAL AFFAIRS, OR ON FILE AT THE OFFICE OF THE CLERK AND RECORDER OF EACH COUNTY IN WHICH THE SPECIAL DISTRICT IS LOCATED.



10:05  
1500  
-74



745434  
Page: 1 of 3  
03/05/2002 10:45  
NORNA HATFIELD FREMONT CTY CLK&REC CO R 15.00 D 0.00

<b>DISTRICT COURT, CUSTER COUNTY, STATE OF COLORADO</b> 205 South 6 <sup>th</sup> Street Westcliffe, CO 81252	SEP 28 2001  <b>▲COURT USE ONLY▲</b>
IN RE THE MATTER OF:	Case Number: 88 CV 9
<b>WEST CUSTER COUNTY HOSPITAL DISTRICT</b>	
<b>ORDER FOR INCLUSION</b>	

1. Pursuant to Court Order dated May 20, 1988, Case Number 88 CV 9, the West Custer County Hospital District was declared organized.

2. By resolution, dated August 7, 2001, a copy of which is attached hereto, and incorporated herein, certain real property was included within the boundaries of the District, effective January 1, 2002. The resolution was adopted subsequent to the petititoning for inclusion by one hundred percent of the affected property owners, publication of notice of a public hearing regarding said petition before the Board of the District, and a public hearing regarding the same.

3. The legal description of the real property to be included in the District is more particularly described as follows:

Parcels 1 through 24, Parcel 26, and Parcels 28 through 32, of the Woods at Gem Mountain, Filing 1, Fremont County, CO;



745434

Page: 2 of 3  
03/05/2002 10:45:  
D 0.00

NORMA HATFIELD FREMONT CTY CLK&REC CO R 15.00

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED:

That the above-described real property is hereby included within the boundaries of the West Custer County Hospital District, effective January 1, 2002.

Done this 13<sup>th</sup> day of Feb, 2001. 2002

By the Court:

John A Marshall  
District Judge



West Custer County Hospital District  
P.O. Box 120 Westcliffe, CO 81252  
(719) 783-2380

**RESOLUTION #3**

**RE: Exclusion of the Woods at Gem Mtn.**

**BE IT RESOLVED THAT the Petition of the property owners of Parcels 1-24, Parcel 26 and Parcels 28-32 of the Woods at Gem Mountain, Filing No. 1, in Fremont County, Colorado for the inclusion into the West Custer County Hospital District is hereby approved and granted with an effective date of January 1, 2002.**



745434

Page: 3 of 3

03/05/2002 10:45

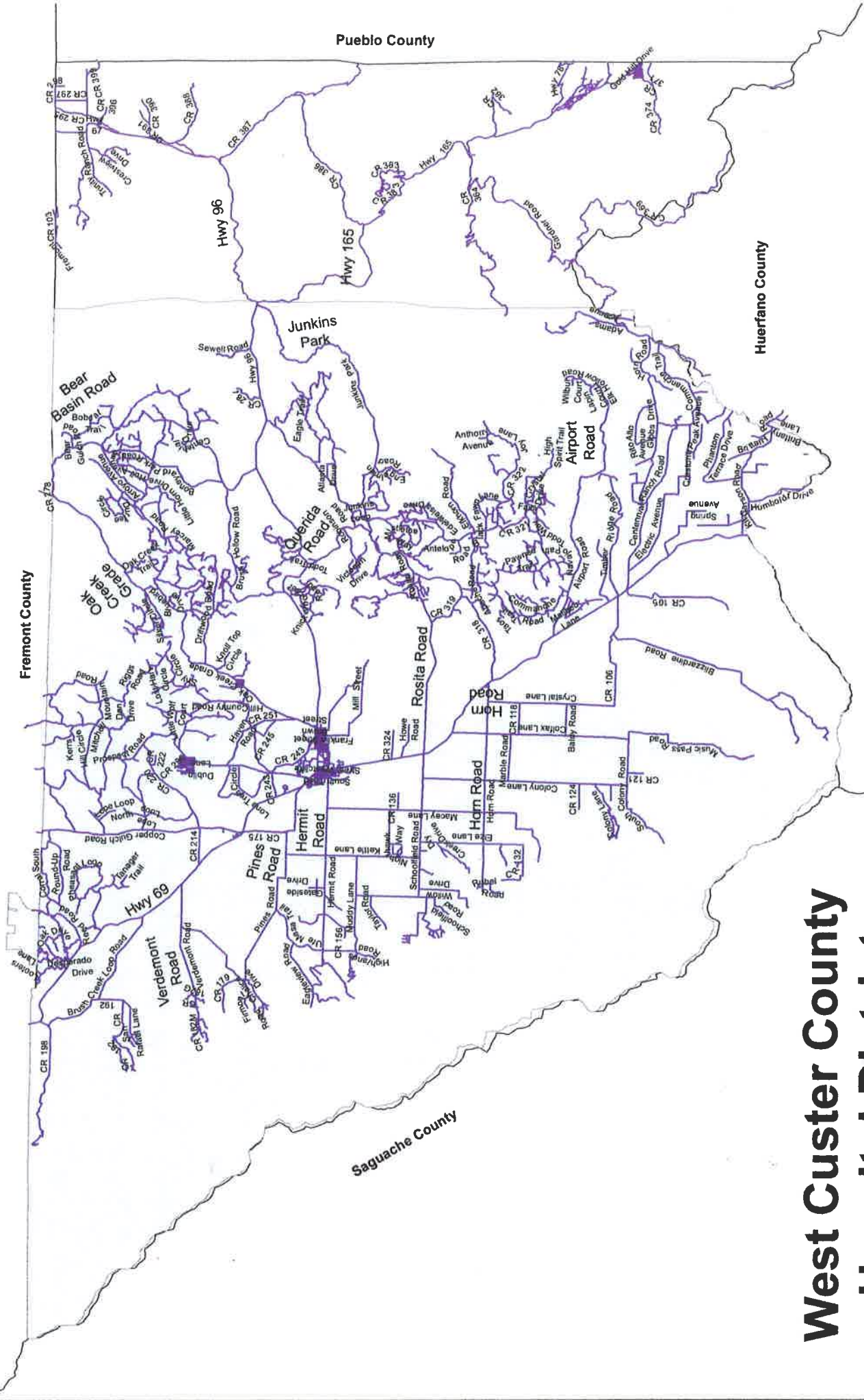
NORMA HATFIELD FREMONT CTY CLK&REC CO R 15.00 0 0.00

**ADOPTED this 7<sup>th</sup> day of August, 2001**

A handwritten signature in cursive script that reads "Barbara Parish". The signature is written over a solid horizontal line.

**Barbara Parish, Vice Chairperson**

Pueblo County



# West Custer County Hospital District