



For Immediate Release

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St. Vincent Hires Leader in Rural Healthcare
Cypress HealthCare, LLC to Manage St. Vincent Health

LEADVILLE, COLO. (January 30, 2023)

The St. Vincent General Hospital District Board of Directors (SVGHD) has accepted a proposal from Cypress Health, LLC to manage St. Vincent Health (SVH) through its current financial turnaround.

Cypress Health was highly recommended by the USDA and Colliers Mortgage which hold the loans on the new hospital building. The organization is recognized for successfully shepherding small hospitals through financial hardship. Cypress is headquartered out of Deer Lodge, MT and they have extensive experience with rural hospitals which requires a specific skill set.

Under the terms of the agreement, SVGHD will pay Cypress \$18,000 per month – for which Cypress has deferred for 3 months of charges to help with the current financial turnaround. The SVGHD Board of Directors shall retain authority over the district as deemed by law and its Bylaws. Cypress will have authority and responsibility to conduct, supervise, and effectively manage the day-to-day operations of St. Vincent Health.

Cypress could begin working with St. Vincent Health in February, 2023. Partnering with the on-site leadership team and staff, two immediate concentrations will be improving the hospital's financial performance and securing a permanent CEO.

Cypress Healthcare currently provides hospital management services to Deer Lodge Medical Center, Deer Lodge, MT; Mountainview Medical Center, White Sulphur Springs, MT; Big Sandy Medical Center in Big Sandy, MT, and Ruby Valley Medical Center, Sheridan, MT. All of the Cypress hospitals have consistently demonstrated superior operational excellence and financial success. Mountainview Medical Center in White Sulphur Springs has recently been named one of the top 100 Critical Access Hospitals in the United States.



Quotes:

Francine Webber, SVGHD Board Chair stated, “I believe Cypress is a good fit for Lake County because they are a small management group focused on Critical Access Hospitals. Because of this focus, the resources they bring are aligned with the needs of rural healthcare.”

“Cypress is unique among hospital management companies with our primary focus on critical access hospitals and being headquartered in rural Montana. The principals of Cypress have been providing rural healthcare services their entire career,” stated Tony Pfaff, President/CEO of Cypress Health.

John Gardner, Interim CEO of St. Vincent Health commented that, “There are many reasons for small hospitals to work with a management company. They bring well-honed and layered resources that provide oversight both from a wide-angle view and close up.” He continued, “They also have depth of knowledge from managing hospitals with similar circumstances and can offer solutions developed from that vast experience.”

About St. Vincent Health

The St. Vincent General Hospital District encompasses approximately 400 square miles in Lake County, Colorado. St. Vincent has been serving the citizens of Leadville, Twin Lakes and Lake County since 1879. It has supported the community through boom and bust cycles of mining and tourism. Today services at St. Vincent include: Acute Care, E.R., Primary Care, Lab, Imaging, Physical Therapy, Specialty Clinics, Ambulance Services (county 911 response) and General Surgery.

After successful operations which led to the construction of a new hospital in 2020/2021 - St. Vincent General Hospital District (SVGHD) - DBA St. Vincent Health (SVH), now finds itself in significant financial distress created by previous managers through mid-2022. In December of 2022 the District was unable to meet payroll and a backlog of outstanding vendor payments. The Colorado Department of Health Care Policy & Financing (HCPF), USDA and Colliers Mortgage, Health Colorado, Rocky Mountain Health Plans, and Lake County Board of County Commissioners provided assistance through mechanisms such as advancing our provider fees, grants and short term loans to help with cash flow in the short term. Additionally, agencies such as the Colorado Hospital Association, GEGR Law and Solvista Health have assisted with identifying other resources that have been helpful during this time of crisis.

During the winter of 2022/2023 St. Vincent Health leadership reduced costs by cutting spending and implementing efficiencies in staffing. Some positions were dissolved; whenever a position opened or was vacated tasks were reassigned to other appropriate positions. New service lines were evaluated and several of them discontinued, including Genetics, Behavioral Health, and Home Health and Hospice.

The SVGHD Board and leadership anticipate the financial turnaround will take 2 to 3 years. In the meantime St. Vincent continues to care for the people of Lake County, Colorado with compassion and excellence. In January 2023, the Emergency Department was recognized by Press Ganey as a 2022 Guardian of Excellence for outstanding patient satisfaction scores.