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## Healthy resolution

### *Hospital, county finalize clinic agreement*

Twin Falls County and St. Luke's Magic Valley Medical Center officials on Wednesday finalized changes to the 2006 agreement selling the hospital to St. Luke's, officially resolving a long-running disagreement over the document.

The dispute flared early last year when the county changed four locks at a St. Luke's clinic at 660 Shoshone St. E., prompting hospital officials to call the police on then-County Commission Chairman Tom Mikesell. A year and a half of discussion and three days of mediation helped cooler heads prevail; after county commissioners signed the sales amendment Wednesday morning, they cheerfully shook hands and chatted with hospital representatives.

At the root of the matter were plans to remodel the county-owned clinic building, turning it into county office space. Under the terms of the 2006 agreement, St. Luke's was required to contribute \$3 million in in-kind services for the remodel at a maximum of \$45 per square foot.

Both parties disagreed about just what the section required. But Wednesday's agreement made it moot: To resolve the matter, St. Luke's will now give roughly \$4.6 million to the county for remodeling costs, and the county in turn will release the hospital from the previous requirements. The extra \$1.6 million of that sum is new money, said hospital CEO Mark Schwartz.

Also covered by the amendment:

- It further refines what indigent medical fees and charges count toward a roughly \$1 million cap on such expenses, anything over which is refunded to the county.
- It alters the sales agreement's restrictions on competition to allow Twin Falls County to develop its own inpatient adolescent mental-health program. In turn, St. Luke's - which shut down its adolescent inpatient program in August 2007 - is released from any obligation to maintain such a service.
- County officials won't ask for any more money from St. Luke's to renovate or demolish the current hospital building once it's vacated. Currently, \$1.5 million is held in escrow to assist with the work.
- The official process for resolving disputes now includes an initial six-month period for both parties to work problems out before other steps become necessary.
- It releases both parties from any liability for events leading up to the revisions, and prevents future lawsuits over the matter.

"We're happy to have this behind us now," Schwartz said of the provisions.

Some county offices have already moved into the building, including the assessor and specialty courts. But county

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commissioners now don't plan to do any remodeling until the hospital finally moves out in mid-2011. They also said they expect to drop the remodeling plan developed around the time of the sale, noting that the county has acquired other properties and shuffled some departments to different areas since that time. The full \$4.6 million may not even all be used for the project.

"I don't see it being like the original plans at all," Commission Chairman George Urie said of the remodel.

It's not yet clear how much the mediation cost the county, which relied on both the Philadelphia firm that helped write the agreement and a local attorney for its legal representation.

The amendment was also signed by Curtis Eaton, board president for the Twin Falls Health Initiatives Trust, whose group was funded through the sale but was not affected by the changes. Nevertheless, officials realized last week that the document needed his signature.