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Memorial Hospital Of Texas County Wants to Raise Guymon's Sales Tax

What is an entity to do when it has exhausted all resources? More specifically, a county-operated entity, that offers services to said county. Do they pack up and lock the doors? Or do they ask the county they service to help out? Memorial Hospital of Texas County believes the latter is their final option in regards to saving the hospital and continuing its services. However, they aren't necessarily happy about it - because it means a possible raise in sales tax.

MHTC passed an item that will ask the Texas County Commission to draw up a resolution for a possible ballot initiative seeking a county-wide sales tax of .45 percent. Commission Chairman Jack Strain said the resolution could possibly be voted on within the next couple of weeks. However, he added, it is likely to be an additional 60 days before the voters will go to the polls over the matter.

MHTC Board member Don Fajen explained the need and thought process behind seeking the sales tax that will ultimately benefit the hospital.
"The object is to make the hospital financially viable," Fajen said. "One of the things that would need to be done to do that would be to replace the revenues lost in charity and uncompensated care. As a county hospital, we are obliged to no less than diagnose everybody that comes through the door, and to treat those that we can treat. That has to be done by somebody.

"A lot of things are in process," Fajen added in regards to efforts the hospital has already made. "Administration is in the process of recruiting new doctors to come on staff, those doctors encourage hospital usage, simply by their association with the hospital. What we have decided on was to ask the commissioners to approve a resolution for a .45 percent sales tax for the benefit of the hospital. That will raise approximately $900,000 a year. That in itself and other things that are in place, will hopefully get us back to where we need to be."

Fajen said the hospital has been on a fiscal decline for some time, and gone are the days of having a reserve fund.

"The hospital has been losing money for a long time," he said. "The reason nothing was done on it years ago is because we had money in the bank. Between 15 and 20 years ago, the hospital was fairly profitable. We were making $1 million a year, or more, and we had money in the bank. Over some period of years, the money ran out."

The MHTC Board is not happy about the decision to raise taxes, but Fajen believes they have simply hit the end of the road.

"This action is to start us back up," he said. "There is no other source of revenue that will do this. Sales tax is the fairest amount of public contribution because everybody pays a little bit. Based on our calculations, it will the cost average family 25 cents per day or $7.50 a month to have the hospital operating.

"The other option is to quit," he continued. "We aren't going to do that, but eventually if you run out of money, you can't operate, so you have to have revenue. We did an analysis of things to do and this seems to be the best answer to the problem."

Board member Buddy Holbert asked County Commission Chairman Strain if there was any other way to finance the hospital.

"I don't know where it would come from," Strain said. "We do have the current sales tax in place,

which you know, the hospital has been a beneficiary to quite a bit of that money, so far. That was set up to benefit not only the hospital but rural fire, rural EMS, sheriff's office and fair board.

"The money is just not there," he continued. "In order for us to put money in the hospital we would have to cut the budget somewhere else, which if we cut budgets in each of these departments, we talk about cutting jobs. That is the bottom line. I have been doing this budget process for the last seven years and we don't have a couple million dollars rat-holed back somewhere."

Raising the mill levy for the county, Strain said, simply wasn't an option he felt would benefit anyone.

"We aren't at the maximum mills we could be at, but when you start bumping those mills up, it is going to be your landowners and property owners that will pay that - it will not be everybody," he said. "As far as money being available, I don't know where it is, if it is available. I am not trying to blow smoke anywhere, the money isn't there. I talked to the district attorney about that deal and he said, 'you can't get blood out of a turnip.' If the money is not there, it's not there."
Holbert stressed the difficulty he and the board had with the possibility of raising the sales tax in an effort to benefit the hospital.

"It is hard for me to sit here and say we have to raise taxes, " he said. "But it's what we have to do. Nobody in here wants to do it."
Administrator Lee Hughes explained it wasn't only indigent cases that caused the decline in financial resources for the hospital. "
At the same time, this isn't just a bunch of people not paying their bills," Hughes said. "Some are privately insured and have insurance, but are choosing not to pay their bills."

Again, Hobert wanted the public to be aware, or speak up, if other options were available.

"I just want to make sure we are looking at every avenue we can possibly look at to try to save every penny that we can save to do this," he said. "That is why I asked if you had any other ideas.

"I know we are taking some steps to make things better," he added. "We are doing everything that I know, if we are not, I want somebody to stand up and say that we are not. I have said it before and I will say it again. It doesn't matter how much money we throw at the problem if we don't fix the problem. Part of fixing the problem is we have to have the staff, the doctors, the whole thing has got to work together. Are we prepared to do that? Because I am prepared to do that - whatever it takes."

The three present board members, Fajen, Holbert and Chairman John Nye voted unanimously to pass the item and ask the county commission to draw up a resolution. However, they did have a condition. They wish for the tax to have an expiration date in order to maintain trust within the county. County Commission Chairman Strain agreed a set amount of time would be the best route.

Strain said considering the county commission votes to pass the resolution, and draw up an item to be voted upon by Texas County voters, the hospital is looking at having the item on a ballot before the voters approximately 60 days after the resolution has been passed by the commission. He added the commission is likely to vote on the issue within the next two weeks.

Guymon Daily Herald/Jessica Crawford