



**FOR IMMEDIATE RELEASE**

**DATE: August 9, 2024**

## **Kalkaska Memorial Health Center Board of Trustees takes Next Step in 501 (c)(3) Transition**

*The KMHC Board approves to place transition from Act 47 to 501 (c)(3) Not-for-Profit on November Ballot*

Kalkaska, Mich. – A special meeting of the Kalkaska Memorial Health Center (KMHC) Board of Trustees was held at 6pm on August 8<sup>th</sup>. The meeting held significant impact for the future of the hospital as the Board of Trustees made a final decision on whether to remain an Act 47 Municipal Hospital or if the transition to become a 501 (c)(3) Not-for-Profit Hospital would be placed on the upcoming November 5<sup>th</sup> ballot.

Following two years of due diligence and extensive investigation, the KMHC Board of Trustees overwhelmingly approved by a vote of 17 in favor, 2 opposed to give Kalkaska County voters the ability to direct KMHC's future as a modern and independent 501 (c)(3) Not-for-Profit Hospital or to remain under the current (Act 47) municipal structure created in 1945.

Upon conclusion of the vote of the board, Chair Karl Klimek emphasized, "The decision of the Board this evening represents an extensive amount of hard work and due diligence. The Board left no stone unturned when considering the complexity of this decision. We trust that Kalkaska voters will affirm this decision in November, and we are committed to providing many opportunities for voters to learn the benefits of this change. I am very proud of the vision for the future this decision represents."

The proposed transition has come with strong endorsement from KMHC's entire Medical and Leadership Staff. Both have written letters to the Board of Trustees unanimously and unconditionally agreeing that the transition to a 501 (c)(3) is necessary in order to move forward and thrive as a modern, independent hospital which will allow for flexibility to continue expanding high quality healthcare services close to home.

The KMHC Medical Staff additionally shared that they believe the modernized structure will retain community input and strengthen KMHC's independence, all while adapting to the inevitable and unpredictable changes in our country's healthcare system. Dr. Jeremy Holmes,

hospital Chief of Staff commented, “I am extremely pleased; this forward-thinking decision will allow us to continue providing top notch care for the next 70 years and not becoming stagnant with rules that prohibit us from growth and meeting the healthcare needs of the community. I am very excited about the future.”

KMHC CEO, Kevin Rogols, thanked the Board, Medical Staff, Leadership, and KMHC’s 700 team members for participating in the journey to evaluate the organization’s structure which began two years ago, in August 2022. “KMHC is blessed with an incredibly dedicated team of healthcare professionals who arise each day with one unified purpose, to improve the health and quality of life of those we serve. We believe that becoming a 501 (c)(3) Not-for-Profit will overcome current Act 47 municipal hospital limitations and are pleased that the final decision will be placed in the hands of the voters.”

In a prepared statement, community member Carolyn Phillips stated, “I am in full support of KMHC moving away from the Act 47 status and move forward as an independent Not-for-Profit hospital. I am concerned that if we stay with the AS IS, our services will become limited and inhibit our ability to continue pursuing new technology and professional services.”

Community Open Forums will be held bi-weekly starting September 9<sup>th</sup> through October 24<sup>th</sup> at the KMHC Acute Care Pavilion (Second Floor Classrooms, Green Canopy Entrance). The forums will provide opportunities to learn more about the proposed MEMBERSHIP 501 (c)(3) structure, the ballot, in addition to providing ample time for questions. For information regarding the forums, please call **231-258-7502**.

###