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FOR IMMEDIATE RELEASE

April 9, 2020

**HABERSHAM COUNTY HOSPITAL AUTHORITY HAS ISSUED REVENUE
ANTICIPATION BONDS**

Rural hospitals in Georgia, and across America, have been struggling to survive for years due to declining net revenues amid an increase in the cost of supplies, equipment, regulatory requirements and staffing. Eight rural hospitals in Georgia have closed with fourteen more at high risk, including Habersham Medical Center (HMC).

“The COVID-19 pandemic is now further compromising our viability because, in order to protect the public and our staff, we must limit routine testing and elective ambulatory services, which are a significant portion of our normal revenue,” says Lynn Boggs, HMC’s chief executive officer. “Additionally, we must remain vigilant in screening and isolating patients with symptoms, which requires additional staff and protective gear. We are fortunate that COVID-19 positive cases have been minimal in Habersham county to date, but that is likely to change as this virus spreads.”

Hospitals like Habersham Medical Center are essential, not only for routine access to care, but particularly now when there is a real public health risk to our citizens- your family, friends, and neighbors- who cannot access care if they are seriously ill. In addition to the care and services provided to our community, HMC generates \$86 million in direct and indirect economic impact to Habersham County’s economy every year per the Georgia Economic Impact Study. Loss of the economic engine that is HMC would have a devastating and long-term negative impact on this community.

The Habersham County Hospital Authority has issued revenue anticipation bonds Series 2020 with the support of the Habersham County Board of Commissioners to ensure the continued operations of HMC until such time as HMC can be sold to a larger health care system or reorganize into a Critical Access Hospital. This bond will give the Hospital Authority additional time to find other solutions for maintaining the operations of HMC, in addition to giving state legislators additional time to find other solutions for its many rural hospitals in distress.

Habersham Medical Center and the Habersham Board of Commissioners remain optimistic that Northeast Georgia Health Systems (NGHS) will acquire HMC within five years as outlined in HMC's May 20, 2019 Letter of Intent. With the current state of rural healthcare in Georgia, the County needs to ensure the current operations of HMC are maintained until the affiliation with NGHS can be completed. The Habersham County Board of Commissioners will provide supplemental operating funds to HMC at a point and time when it is necessary to ensure the continued operation of our local hospital.

At this historically critical time in our nation's history, the financial operations of HMC must be maintained to support the critical and life-saving role the hospital performs in our community. The Habersham County Board of Commissioners and Hospital Authority are committed to moving HMC forward through this financially fragile time to allow the hospital to regain sound financial base and allow a merger of HMC to proceed with a larger healthcare system.

The Series 2020 private placement bond will secure Habersham County's hospital through the tax authorized by O.C.G.A. Section 31-7-84 as the security for the debt obligation under the contract. The anticipated par amount of the bond obligation is \$5,230,000. The note will be repaid over seven years by Habersham County. This obligation will only be drawn down as necessary by the Hospital Authority to maintain critical operations of the medical center during these extraordinary times. This bond will replace the previously approved \$1 million line of credit.

About Habersham Medical Center

HMC is a 53-licensed-bed acute care hospital and serves approximately 80,000 residents in Habersham and adjoining counties. HMC operates Habersham Home, an 84-licensed-bed skilled nursing facility, and HCMC Home Care, the service area's sole agency for hospital-based home health providers.