



# Greenwood Leflore Hospital

*So Far Advanced So Close To Home*

## MEMO

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DATE: September 14, 2023  
TO: GLH Employees & Medical Staff  
FROM: Gary G. Marchand, Interim CEO  
RE: GLH Viability Update Plan

### Viability Update – September 2023:

We are providing you with this update concerning the short- and long-term viability of the hospital. Since last fall we have been in discussions on numerous occasions with city and county leadership regarding the hospital's cash reserves, potential expansions of Medicaid payment models, legislative funding relief, and the importance of a Critical Access Hospital (CAH) designation from the Medicare program.

On July 5<sup>th</sup>, city and county leadership joined their efforts to secure a line of credit to support the working capital needs of the hospital. This line of credit when combined with the other short-term funding opportunities, would allow hospital operations to continue until a CAH designation was awarded by the Medicare program.

Based on the county Board of Supervisors' recent actions it is no longer possible for the hospital to rely on access to the line of credit. We appreciate the continuing support of the City of Greenwood, but unfortunately, the bond indenture for the line of credit requires the Board of Supervisors to approve the hospital's draw-downs.

We appreciate the efforts of the local business community in supporting the hospital's efforts to pursue a CAH designation and, in particular, the five area banks that were instrumental in funding the line of credit. We appreciate the community's quiet support and the patients that continue to rely on the hospital to meet their healthcare needs. We appreciate the approval of the CAH application by the Mississippi State Department of Health and the Medicare Administrative Contractor. Except for the lapsing of time to a final approval, we have made every effort to maintain and protect necessary healthcare services for the residents of Leflore County and surrounding areas.

It has become apparent that the Board of Supervisors lacks confidence in the Federal, state and local efforts to secure a CAH designation.

The hospital is also assessing its legal options inasmuch as no residents opposed the line of credit at the public hearings and the hospital is being denied access to funding in accordance with the loan agreements.

We will be discussing the future of the hospital's services, including emergency room, cancer, surgical, inpatient and other important services in the coming weeks and will keep you informed.

The Board and Administrative Team appreciate your patience as we address this important matter.

Our collective goal has always been to provide the best possible healthcare solutions for everyone in our service area. And because of your dedication and hard work, we have managed to maintain that care through the most difficult of circumstances. We defeated COVID, and now we are fighting unparalleled challenges both economically and politically. While a few elected officials have lost confidence in you, we have not. We will continue our efforts to maintain essential healthcare services for everyone. We sincerely thank each of you for your service and commitment.