

Blue Lake Township

Kalkaska County, Michigan

Minutes

Special Board Meeting

To discuss KMHC Act 47 v 501c3 Not for Profit

Monday, July 22, 2024

7 Present

- I. Meeting Call to Order at 10:00 am by Shearer.
- II. Roll Call of Board Members –Shoemaker, Shearer, and Nichol present, Almose and Shaw were absent.
- III. Adoption of Agenda – **Motion** to adopt agenda by Shoemaker, supported by Nichol. Motion carried.
- IV. Guests: Kevin Rogals, CEO and Connie Farrier, Director of Support Services from KMHC
 1. Mr. Rogals discussed the reasons behind the decision to explore 501c3. It began when he attended a large meeting of cohorts discussing the vast changes to healthcare. The KMHC board believed that they are responsible for finding out as much as possible about Act 47 (established in 1945) and 501c3: what are benefits and drawbacks of each. The main difference is with Act 47 the hospital may only have a vendor relationship. With a Not for Profit, the hospital may have Joint Ventures, partnerships. The latter allows for both parties to have a shared interest in success. Over the last several months the Board concluded the 501c3 benefits compelled them to move forward with Articles of Incorporation. From there we moved on to By-laws. These entailed many thoughts, not the least of which was how we could create a not for profit that would allow for any of its townships and the village to remain. It was found we could have a membership model and continued moving forward. Public meetings were held to inform the community of the same and to answer questions they may have. Mrs. Farrier stepped in to give us the response from the hospital's senior leadership and doctors, nurses, etc. The leadership team as well as the physicians all signed a statement that they are unanimously in favor of a 501c3. It allows the hospital to uphold its mission and vision. *Mission: To improve the health and quality of life for our communities by providing high quality healthcare services, close to home. By engaging our communities to identify ongoing healthcare priorities. By passionately advocating for the patients and residents entrusted to our care. Vision: We will be the trusted first choice in healthcare for our communities.* Other information, in the form of packets contained 1) The physician's letter to the board 2) The senior leaderships Memo to the Chairman of the board 3) the investigation timeline 4) The evaluation of structure: Act 47 Vs Not for Profit. The information in the 4th packet has the open forum presentation and much, much more.
 2. Rogals and Farrier answered questions and gave us so much information. If the KMHC Board votes to send the question to the community through a vote, which must be accomplished in the affirmative to make the switch, many more communiques will be sent out through various forms. All this will be for the benefit of informing the public. We will be updated if and once that step is confirmed.
- V. Public Input
- VI. Adjournment –
 1. **Motion** to adjourn at 11:15 am by Nichol, supported by Shoemaker, motion carried.