

Jessica Sly, Communications Specialist

Tri-County Health Care Marketing 415 Jefferson St. N. • Wadena, MN 56482

PHONE: 218-631-7460 EMAIL: jessica.sly@tchc.org

FOR IMMEDIATE RELEASE

Tri-County Health Care moves forward with property decision

WADENA, Minn. – June 28, 2019 – Tri-County Health Care has been considering the Wadena County Fairgrounds as a potential site for its new facility, but a cost analysis on what it would take to move the current fair has caused Tri-County to move in another direction. The cost to relocate the fair, including moving the race track, relocating or rebuilding current buildings, adding a parking lot and more, totaled \$13.1 million. This price is well beyond what was anticipated or budgeted.

Instead, Tri-County has turned its focus to a property of more than 70 acres on Highway 10 west of Wadena owned by Kelly and Julie Taggart. Tri-County already has a purchase order agreement on the property, which offers more visibility than the fairgrounds and has a country atmosphere that would help in creating a place of healing. In addition, the cost came in at \$2 million, significantly less than the \$13.1 million project for the fairgrounds.

The Taggart property resides in Otter Tail County, though Tri-County's goal had been to remain in Wadena County. Should Tri-County purchase the land, steps would be taken to annex the property into the city of Wadena. However, it would remain in Otter Tail County.

Before zeroing in on the Taggart property, Tri-County considered other options within Wadena County. It researched the option of co-locating with the fair, but this presents another cost concern as well as potential noise interference from the race track. Another possibility was the property south of Wadena on Highway 71 that formerly housed the drive-in movie theater. However, this property does not offer the visibility and location on Highway 10, which was a primary goal in Tri-County's master planning.

Tri-County also cannot move farther east, as that would place it within 20 miles of Lakewood Health System in Staples. In the past, CMS (Medicare) has looked at 5-mile increments as it comes to Critical Access Hospital reimbursements and their distance from one another. Being within 20 miles of Lakewood could have financial consequences for both healthcare systems, which could jeopardize their future viability from a federal reimbursement perspective.

At this time, Tri-County Health Care will move forward in pursuing the Taggart property. The next step is the due diligence process, which will determine the viability of the property. Though it will prioritize the work on the Taggart property, Tri-County is keeping communication open with property owners and the county for the possibility of a Plan B option.

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"I want to say thank you to Wadena County, the Fair Board, and the city of Wadena for their partnership and collaboration in researching a location for our new facility," said Joel Beiswenger, Tri-County president and CEO. "We regret not being able to remain in Wadena County, but we are excited by the opportunities presented by the Taggart property and look forward to moving one step closer to bringing the rural healthcare center of the future to the communities we serve in Wadena, Todd and Otter Tail counties."

ABOUT TRI-COUNTY HEALTH CARE

Tri-County Health Care is a private, not-for-profit health care system located in Wadena, Minnesota. It offers care services such as primary health, surgery, cancer care, diagnostic imaging, obstetrics, orthopedics and rehabilitation. Tri-County operates a hospital and medical clinic in Wadena, as well as five satellite clinics and two physical therapy clinics across Wadena, Todd and Otter Tail counties. Satellite clinic locations include Bertha, Henning, Ottertail, Sebeka and Verndale. Visit TCHC.org.

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