

Marshall County Hospital: Financial & Operational Health

February 16, 2026

Benton, Kentucky - The reported demise of Marshall County Hospital has been greatly overstated. Recent rumors and partial information do not reflect the full or accurate picture. While there are some who favor selling the facility and have conveyed the impression MCH is nearing closure, those statements do not align with the organization's current financial or operational reality. Unfortunately, the apparent goal of this messaging is to shift public perception to allow a future sale easier. This is evident following the public awareness generated in January, when efforts to sell first became known. If the picture painted the hospital is failing, any future discussions (and they will come) will face less resistance. Numbers don't lie, but numbers without the full picture can easily mislead.

Marshall County Hospital's audited financial statements for FY 2024 show a net operating profit of \$73,000. While FY 2025 is expected to reflect a loss once the audit is completed in July of 2026, outcome is attributable to several identifiable and large non-recurring factors, which affect many healthcare organizations. The loss is not related to any past or pending litigation. The hospital maintains appropriate insurance coverage for such matters. While cash reserves have declined from January 2024 through the end of FY 2025, these are due to capital and operational pressures, not financial insolvency.

The new Marshall County Hospital facility is now more than 17 years old. Infrastructure investments are necessary. These include a new chiller, multiple HVAC repairs, and unbudgeted replacement of medical equipment which has reached "end of life". Additional financial impacts include the onboarding of three new practices, increased bad debt from patient receivables, and inflation driven cost increases on all supplies. Supplies include pharmaceuticals, food, and medical/non medical supplies.

In addition, the Kentucky Association of Counties (KACo) loan matures in 2033. Government reimbursement for interest expenses continues to decline as the loan amortizes. Judge/Executive Mike Miller was instrumental in Marshall County Hospital's loan. Importantly, it has always been known the payment is made in January of each year.

According to the most recent financials, Marshall County Hospital maintains 211 days of cash on hand. This metric represents the number of days the organization could continue operations with no incoming revenue. Each day is worth about \$81,000 each. By

comparison, auditors report the median days on cash on hand for Critical Access Hospital was approximately 63 days in 2022. MCH's position is therefore substantially stronger than the industry norm.

Marshall County Public Hospital Taxing District has brought tax relief for the community. The real property tax rate was lowered from 3.8 in 2022 to 3.3 in 2025. Tangible and inventory tax rates have likewise decreased, from 4.4 (2022) to 4.2 (2025).

Marshall County Hospital is not at risk of failing to meet its financial obligations, pay employees or vendors, or continue normal operations. Assertions suggesting MCH is insolvent, nearing insolvency, or must be sold due to financial distress are not supported by the available data and misrepresent the organization's current condition. Rather than division and online rumors, my hope is for the community to come together and support our long-time county owned, not for profit, hospital.

- Lauren Mann, Board Chair