

CHIPPEWA VALLEY HEALTH COOPERATIVE GREENLIGHTS FULL-SERVICE INDEPENDENT HOSPITAL IN CHIPPEWA VALLEY'S LAKE HALLIE

CHIPPEWA FALLS, WI – December 4, 2024 – The Chippewa Valley Health Cooperative is building a full-service, independent, locally-governed, nonprofit hospital in Lake Hallie, with a goal to open in fall 2027. The decision came after exhaustive research to determine the optimal configuration, healthcare service offering, location, and long-term sustainability requirements for a new independent hospital in the Chippewa Valley.

The Cooperative's new 144,000-square-foot state-of-the-art hospital will be a flexible facility including 48 hospital beds, with a 12-bed Intensive Care Unit (ICU), an Emergency Department, Medical-Surgical services, Labor & Delivery, critical care units, a comprehensive Cancer Center, and comprehensive diagnostic services, including laboratory, radiology, and cardiology services. The new hospital will also have a comprehensive therapy unit to offer physical, occupational, and speech therapies. The projected cost for the new hospital is \$120 million, with a total project cost of \$158 million, including start-up costs, substantially less than initial estimates.

The Cooperative is also exploring ways to bring behavioral health services to the community.

"Our community and our research have made it abundantly clear that our growing region needs access to more local, effective, and affordable healthcare services in many critical areas," said Robert Krause, Chair of the Board of Organizers for the Chippewa Valley Health Cooperative. "The Cooperative's new full-service hospital will provide a wide range of healthcare services here, not a long ambulance or helicopter ride away."

The new independent hospital will employ over 410 full-time employees, not including medical staff. The medical staff will include qualified and accredited physicians from throughout the region. The OakLeaf Medical Network, the largest independent network of physicians and clinics in Western Wisconsin, has pledged to support the new hospital. OakLeaf Medical Network clinics care for over 55,000 local primary care patients.

The Chippewa Valley Health Cooperative, a 501c3 non-profit organization, was formed on February 29, 2024, just six weeks after HSHS announced it was exiting Western Wisconsin. With the goal of transforming the healthcare landscape in the Chippewa Valley and ensuring the

local community is not solely dependent on hospital services owned by and accountable to organizations outside our region, the Cooperative has moved quickly to be able to help close the significant healthcare gaps the community is experiencing today.

“We have moved as fast as we could without cutting corners with due diligence to determine the size, location, and range of healthcare services we need to put in place to ensure that our community has access to exceptional, local, cost-effective healthcare for generations to come,” added Krause. “No longer will out-of-town hospital systems control the destiny of all hospital services for our community.”

The Cooperative conducted a wide range of research, is amply supported by University of Wisconsin Extension specialists in cooperative formation and governance, trauma care, emergency medical services, and public facilities financing, and contracted with Wipfli, a nationally recognized expert in healthcare, to conduct a comprehensive feasibility study for the new hospital.

“We have turned over every leaf to get the best information and data possible to help us make our decision and ensure the long-term viability of a thriving, local, independent hospital,” added Krause.

Location

The Cooperative evaluated many different locations throughout Eau Claire and Chippewa Counties for the new hospital, ultimately choosing a 20-acre parcel in Lake Hallie along the Highway 53 North-South corridor with convenient access to Interstate 94 and East-West County Highways 29 and 12. The decision was based on extensive and detailed modeling of traffic flow, demographics, and projected growth patterns for the area. Importantly, this location is easily accessible for emergency services.

The Cooperative has entered into an agreement with Dave and John Markquart to purchase the land.

“This ideal location is optimally situated for easy access to the hospital for patients and emergency services from the entire region,” added Peter Hoeft, member of the Cooperative’s Board of Organizers.

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Thomas Larson, member of the Board of Organizers, added, “The right location is a critical determining factor in the sustainability of the hospital. After evaluating over a dozen potential sites, we’re confident this parcel is the best possible location to build the new hospital for the Chippewa Valley community.”

Services

The Cooperative determined the full range of healthcare services to offer at the opening, as well as more services to add at the hospital over time, after evaluating area hospital bed and service capacity, healthcare trends, regional demographics, and Wisconsin growth projections.

“While the other Eau Claire area hospitals have done what they can to absorb the patients who were displaced by the HSHS hospital and clinic closures, it’s clear that they don’t have the capacity to fully address the critical healthcare gaps in the area,” said Mike Sanders, Managing Partner of 1100 Partners, and former CEO of Monroe Clinic, who has been working hand-in-hand with the Cooperative Board since it was formed.

Independent

The Chippewa Valley Health Cooperative is a nonprofit organization and independent, accountable to, and governed by its members, who are residents from the 18-county greater Chippewa Valley region, as well as physicians and other medical professionals who are accredited and licensed to practice in Wisconsin. Independent hospitals are not owned by health systems or integrated delivery networks, both of which prioritize caring for patients in their own “ecosystems” of clinics and physicians.

There are over 1,500 independent hospitals in the United States.

Financial Support

To date, the Cooperative has received almost one million dollars in financial support to fund the startup phase for the organization. Most of this money has been donated by independent physicians and clinics throughout the community, as well as the board of organizers, Chippewa County, AgCountry Farm Credit Services, and Compeer Financial.

Going forward, the financing for the new hospital will be supported through community philanthropy, grants, and debt financing. Efforts are already underway to secure the necessary funding for the hospital.

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About the Cooperative

The Chippewa Valley Health Cooperative is an independently governed, locally rooted nonprofit organization committed to making high-quality healthcare accessible and affordable for the residents of the 18 counties in Wisconsin's Chippewa Valley region. Focused on patient-centered care, prevention, and education, the Cooperative strives to make a lasting, positive impact on the Chippewa Valley's health and well-being for generations to come. Formed on February 29, 2024, the Cooperative is a Wisconsin Chapter 193 cooperative and a registered 501c3 tax-exempt nonprofit organization. More information at www.chippewavalleyhealthcooperative.org.

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